



July 6, 2001

United States Department of the Interior  
Bureau of Land Management  
170 South, 500 East  
Vernal, Utah 84078

Re: Application for Permit to Drill  
Louis Dreyfus Natural Gas Corp.  
LDNGC Fence Canyon Federal 31 #2  
Uintah County, Utah  
Lease No. UTU 44438 & SL 068653

Gentlemen:

Louis Dreyfus Natural Gas Corp. respectfully requests permission to drill our LDNGC Fence Canyon Federal 31 #2 located 1914 FSL and 2265 FEL of Section 31-T15SN-23E, Uintah County, Utah, Federal Lease No. UTU 44438 and SL 068653. The proposed well will be drilled to a TD of approximately 8000'. The location and work area have been staked approximately 68 miles south of Ouray, Utah.

In accordance with requirements stipulated in Federal Onshore Oil and Gas Order No. 1 under 43 CFR 3162.1, our Application for Permission to Drill and supporting evidence is hereby submitted.

1. Application for Permit to Drill:
  1. Form 3160.3, Application for Permit to Drill
  2. Location Plat certified by Uintah Engineering & Land Surveying, dated May 29, 2001.
  3. The elevation of the ungraded ground is 6977.
  4. The geologic name of the surface formation is Fence Canyon.
  5. Rotary drilling equipment will be utilized to drill the well to TD 8000' (TVD), and run casing. This equipment will then be rigged down and the well will be completed with a pulling unit.
  6. Proposed total depth is 8000' TVD.

**RECEIVED**

JUL 09 2001

DIVISION OF  
OIL, GAS AND MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK <b>DRILL</b> <input checked="" type="checkbox"/> <b>DEEPEN</b> <input type="checkbox"/>		5. LEASE DESCRIPTION AND SERIAL NO. UTU - 44438, SL- 068653	
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR Louis Dreyfus Natural Gas Corporation		7. UNIT AGREEMENT NAME	
3. ADDRESS AND TELEPHONE NO. 14000 Quail Springs Parkway, Suite 600, Oklahoma City, OK 73134		8. FARM OR LEASE NAME, WELL NO. Fence Canyon Federal 31 #2	
4. LOCATION OF WELL (Report location clearly and in accordance with any state requirements.) At surface NWSE 1914' FSL & 2265' FEL 4369709 N 639070 E At proposed prod. zone		9. API NUMBER	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 68 miles South of Ouray		10. FIELD AND POOL, OR WILDCAT Fence Canyon/Dakota	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drg. unit line, if any) 1914'		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA 31-15S-23E	
16. NO. OF ACRES IN LEASE 640		12. COUNTY OR PARISH Utah	
17. NO. OF ACRES ASSIGNED TO THIS WELL 320		13. STATE UT	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 8000'		20. ROTARY OR CABLE TOOLS R	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6977'		22. APPROX. DATE WORK WILL START* 1-Oct-01	

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	9 5/8" J55	36#	300'	150 sx Class G
8 3/4"	7" N-80	23#	4150'	900 sx 50:50 Poz G
6 1/8"	4 1/2" N-80	11.6#	8000'	375 sx Est. TOC is 6,000' or 1500' above Dakota Silt top

1. Drill 12 1/4" hole to  $\pm$  300'. Set 9 5/8" J55, 36# surface csg at  $\pm$  300. Cement w/150 sx Class G.
2. Drill 8 3/4" hole to  $\pm$  4,150'. Set 7", N-80, 23# csg at  $\pm$  4,150. Cement w/900 sx 50:50 Poz G.
3. Drill 6 1/8" hole to  $\pm$  8,000'. Set 4 1/2", N-80, 11.6# cst at  $\pm$  8,000. Cement w/375 sx Modified H. Estimated TOC is 6,000 or 1,500' above Dakota Silt top.

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 07-30-01  
By: *[Signature]*

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED *Carla Christian* TITLE Regulatory Technician DATE 7/6/01

(This space for Federal or State office use)

PERMIT NO.

43-047-34183

APPROVAL DATE

RECEIVED

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

JUL 09 2001

DIVISION OF  
OIL, GAS AND MINING

**T15S, R23E, S.L.B.&M.**

1921 Brass Cap,  
0.6' High, Pile  
of Stones

N89°53'16"E - 5267.78' (Meas.)

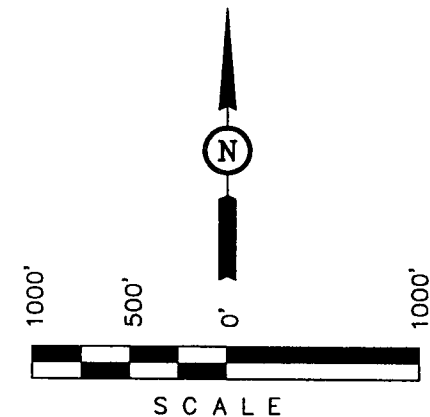
1921 Brass Cap  
0.1' High

**LOUIS DREYFUS NATURAL GAS CORP.**

Well location, FENCE CANYON #31-2, located  
as shown in NW 1/4 SE 1/4 of Section 31,  
T15S, R23E, S.L.B.&M. Uintah County, Utah.

**BASIS OF ELEVATION**

SPOT ELEVATION ON A HILL TOP IN THE NW 1/4 OF  
SECTION 32, T15S, R23E, S.L.B.&M. TAKEN FROM  
THE PR SPRING QUADRANGLE, UTAH, 7.5 MINUTE QUAD.  
(TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES  
DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY.  
SAID ELEVATION IS MARKED AS BEING 7777 FEET.



**CERTIFICATE**

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM  
FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY  
SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE  
BEST OF MY KNOWLEDGE AND BELIEF.

**ROBERT L. ROBERTS**  
REGISTERED LAND SURVEYOR  
REGISTRATION NO. 161319  
STATE OF UTAH

NORTH - 80.00 (G.L.O.)

Lot 1

Lot 2

**31**

**FENCE CANYON #31-2**

Elev. Ungraded Ground = 6977'

Lot 3

Lot 4

2265'

1914' (Comp.)

N49°49'52"W  
2966.30'

89°57'  
(G.L.O.)

1918 Brass Cap,  
1.7' High, Pile  
of Stones

80.00 (G.L.O.)

**LEGEND:**

└─┘ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

LATITUDE = 39°28'04"

LONGITUDE = 109°22'59"

**BASIS OF BEARINGS**

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

**UINTAH ENGINEERING & LAND SURVEYING**  
85 SOUTH 200 EAST - VERNAL, UTAH 84078  
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 5-23-01	DATE DRAWN: 5-29-01
PARTY B.B. J.T. C.G.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE LOUIS DREYFUS NATURAL GAS CORP.	

7. Estimated tops of important geologic markers:

Castlegate	4589	TVD
Cedar Mountain	8384	TVD
Morrison	8548	TVD

8. Estimated depths at which anticipated water, oil, gas or other mineral bearing formations are expected to be encountered:

Primary Objective: Dakota/Cedar Mountain Sand 8272' TVD

Secondary Objective: Morrison Sand 8548' TVD

9. The proposed casing program is as follows:

Surface: 9 5/8" 36# J-55 ST&C casing set at 300'

Intermediate: 7" 23# N-80 LT&C casing set from 0-4150'

Production: 4 1/2" 11.6# N-80 LT&C casing from 0-8000'

10. Casing setting depth and cementing program:

1. 9 5/8" surface casing set at 300' in 12-1/4" hole. Circulate cement with 150 sx. Class G + .005#/sx Static Free + 2% CaCl<sub>2</sub> + .25#/sx. Cello-Seal + .005 gps FP-6L.

If cement does not circulate, a temperature survey will be run to find the TOC and then finish cementing to surface through 1" using Class G with 2% CaCl<sub>2</sub>.

2. 7" intermediate casing set at 4150' in 8 3/4" hole. Circulate cement with 900 sx. 50:50 POZ/G w/2% Bentonite + .005#/sx. Static Free + 1% CaCl<sub>2</sub> + .25#/sx. Cello-Seal + .005 gps FP-6L + 5#/sx. Gilsonite cement to surface.

Note: Cement volumes may be adjusted according to fluid caliper.

3. 4 1/2" production casing set at 8000' in 6 1/8" hole. Cement with 375 sx. Modified H .3%D156 + .3%D65 + 3% D800.

Estimated top of cement is 6000' or 1500' above Dakota silt top.

Note: Cement volumes may need to be adjusted to hole caliper.

11. Pressure Control Equipment

0' – 300'	None
300' - 4150'	11" 3000# ram type preventers with one set blind rams and one set pipe rams and a 3000# annular preventer.
4150' - 8000'	11" 3000# ram type preventers with one set blind rams and one set pipe rams and a 3000# annular type preventer. A choke manifold accumulator with floor and remote operating stations and auxiliary power system. Rotating head below 4900'. Exhibit A & B.

A kelly cock will be installed and maintained in operable condition and a drill string safety valve in the open position will be available on the rig floor.

After setting the 7" casing, the blowout preventers and related control equipment shall be pressure tested to 3000 psi. Any equipment failing to test satisfactorily shall be repaired or replaced. Results of the BOP test will be recorded in the Driller's Log. The BOP's will be maintained ready for use until drilling operations are completed.

BOP drills will be conducted as necessary to assure that equipment is operational and each crew is properly trained to carry out emergency duties.

Accumulatory shall maintain a pressure capacity reserve at all times to provide for the close-open-close sequence of the blind and pipe rams of the hydraulic preventers.

12. Mud Program:

0' - 300'	Sweep hole as needed. Fresh water/native mud. Lime for pH control (9-10). Paper for seepage. Wt. 8.5 – 8.8 ppg, vis 32 - 34 sec.
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300' - 4150'      Fresh water. Lime for pH control (10 - 10.5). Paper for seepage. Wt. 8.3 - 8.9 ppg, vis 28 - 32 sec., adjust filtrate. Below 2500' 8.9 to 10 cc.

4150' - 8000'      Air drill. Use Baracat for well stability as needed.

13.      Testing, Logging and Coring Program:

1.      Testing program: No DST's are anticipated.
2.      Mud logging program: One-man unit from 3000' to TD.
3.      Electric logging program: CNL/LDT/CAL/GR, DLL/CAL/GR.
4.      Coring program: Possible sidewall rotary cores.
5.      No abnormal temperatures, conditions, pressures, H<sub>2</sub>S gas, or hazards anticipated. BHP expected to be max 2500 psi on nearby wells.

Anticipated starting date is October 1, 2001. It should take approximately 3 - 5 days for construction, approximately 25 days to drill the well and another 7 -14 days to complete.

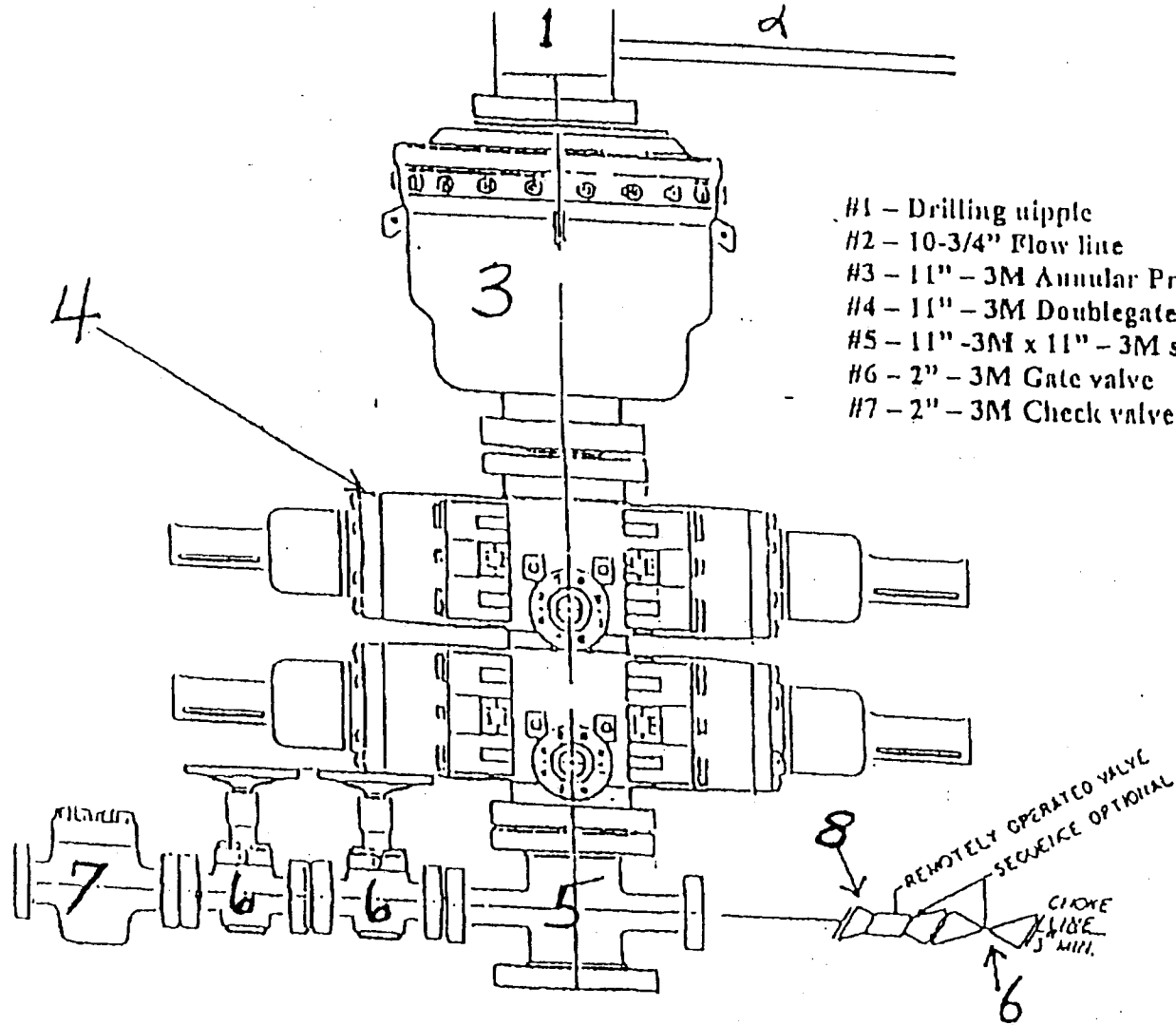
The Multi-Point Surface Use & Operation Plan is attached. If you need additional information to evaluate this application, please call me at (405) 749-5263.

Sincerely,

LOUIS DREYFUS NATURAL GAS CORP.



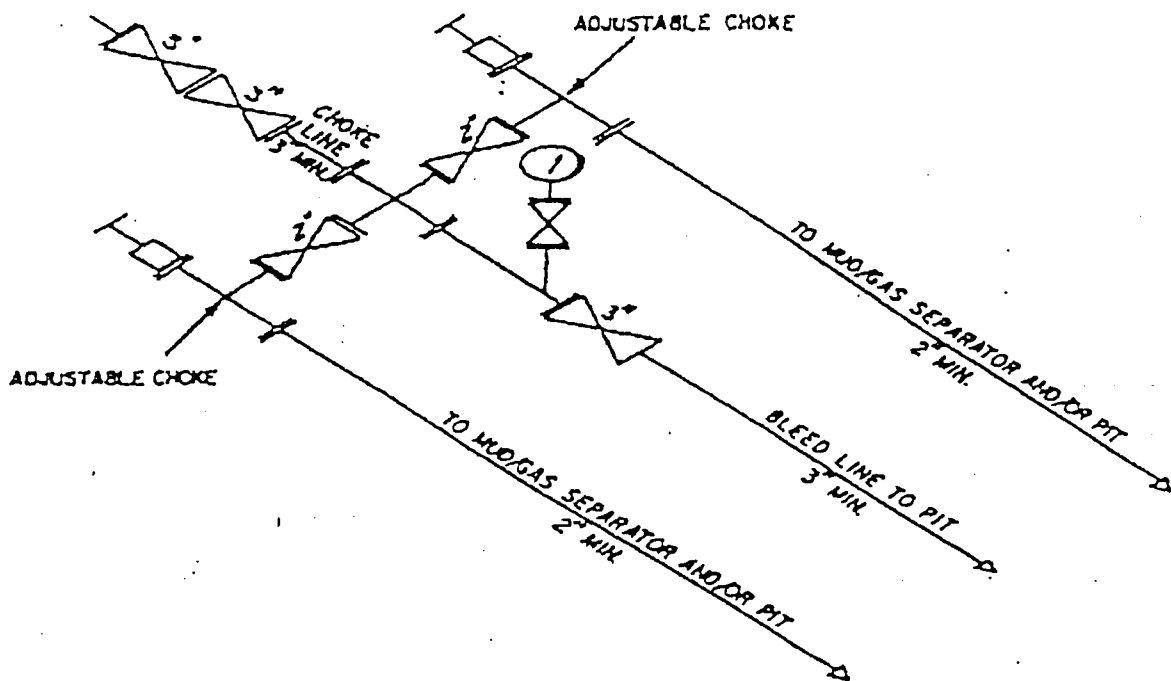
Carla Christian  
Regulatory Technician



- #1 - Drilling nipple
- #2 - 10-3/4" Flow line
- #3 - 11" - 3M Annular Preventer
- #4 - 11" - 3M Doublegate with pipe rams and CSO rams
- #5 - 11" - 3M x 11" - 3M spool with 2-3" - 3M flange outlets
- #6 - 2" - 3M Gate valve
- #7 - 2" - 3M Check valve

11" - 3M Doublegate with Annular Preventer

EXHIBIT 1



①  
3M CHOKE MANIFOLD EQUIPMENT — CONFIGURATION OF CHOKES  
MAY VARY



EXHIBIT TO A - 3

A - 3. The Operator's Minimum Specifications for Pressure Control

EXHIBIT are schematic diagrams of the blowout preventer equipment. A 2,000# blowout preventer will be installed, used, maintained and tested in accordance with all requirements specified in Section III.A-1 of Onshore Order 2, except where variations are presented in this application.

Minimum standards outlined in Onshore Order 2 will be met for BOP, choke, manifold, accumulator, and locking devices. Hydraulic controls will be located on the rig floor. Manual controls will be handwheels. Remote control for the accumulator will be 100'-200' from the drill hole. The kill line will not be used as a fill-up line.

Ram type preventers and associated equipment (choke manifold, kelly cocks, etc.) shall be pressure tested to 100% of their rated working pressure for a period of 10 minutes. Annular preventers shall be tested to 50% of their rated working pressure for a period of 10 minutes. Tests will be run after initial installation, prior to drilling out of each casing shoe and after use under pressure, or a minimum of once every 30 days. Pipe rams will be operationally checked each 24 hour period, as will blind rams and annular preventer each time pipe is pulled out of the hole. Annular preventers will be functionally operated at least weekly. Such checks of BOPE will be noted on daily drilling reports.

**LOUIS DREYFUS NATURAL GAS CORP.**  
**FENCE CANYON #31-2**  
**LOCATED IN UINTAH COUNTY,**  
**SECTION 31, T15S, R23E, S.L.B.&M.**



**PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE**

**CAMERA ANGLE: EASTERLY**



- Since 1964 -

**UELS**

**Uintah Engineering & Land Surveying**

85 South 200 East Vernal, Utah 84078  
435-789-1017 uels@uelsinc.com

**LOCATION PHOTOS**

**5** **29** **01**  
MONTH DAY YEAR

**PHOTO**

TAKEN BY: B.B.

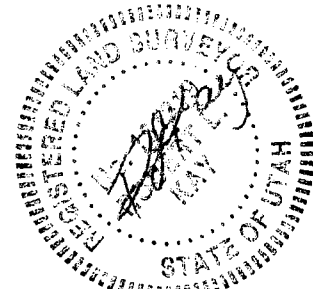
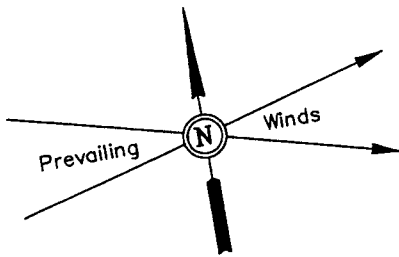
DRAWN BY: K.G.

REVISED: 00-00-00

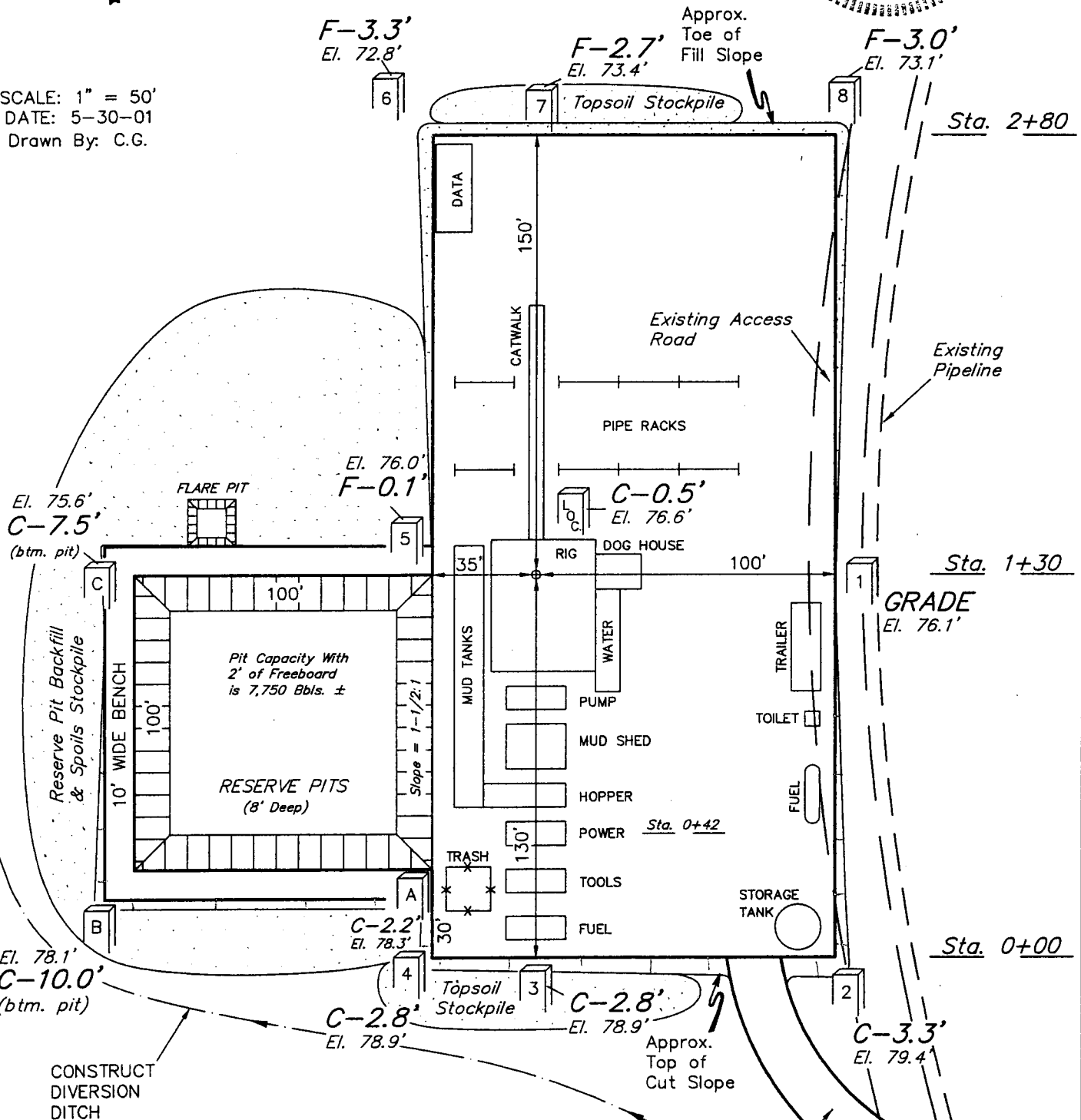
# LOUIS DREYFUS NATURAL GAS CORP.

## LOCATION LAYOUT FOR

FENCE CANYON #31-2  
SECTION 31, T15S, R23E, S.L.B.&M.  
1914' FSL 2265' FWL



SCALE: 1" = 50'  
DATE: 5-30-01  
Drawn By: C.G.



Elev. Ungraded Ground at Location Stake = 6976.6'

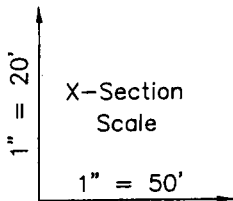
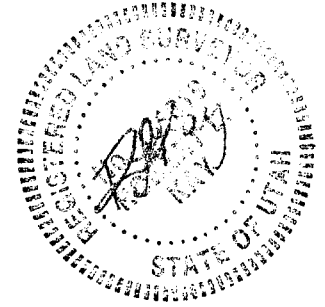
Elev. Graded Ground at Location Stake = 6976.1'

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017

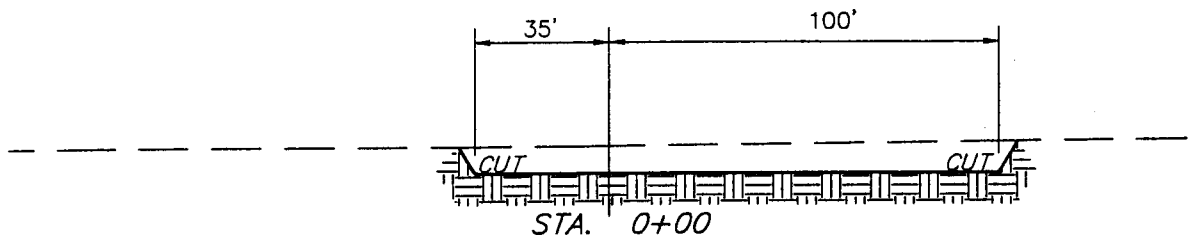
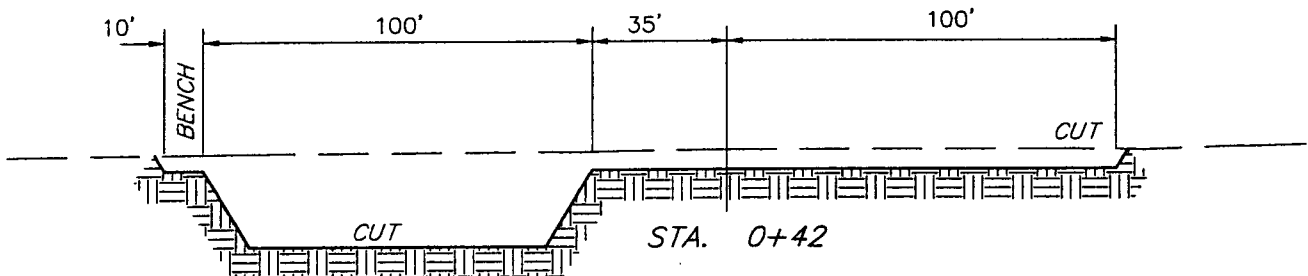
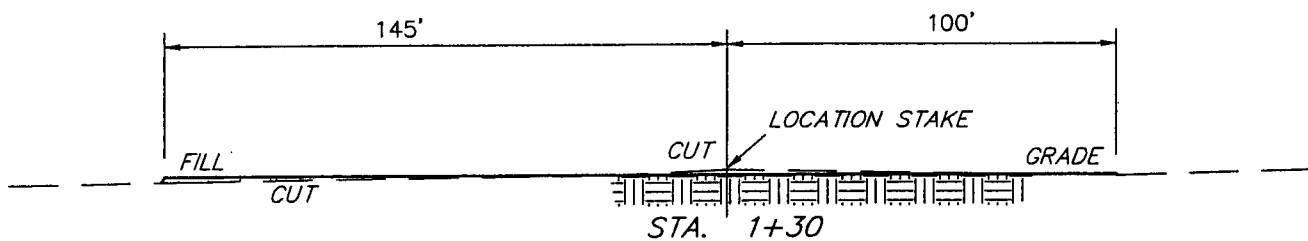
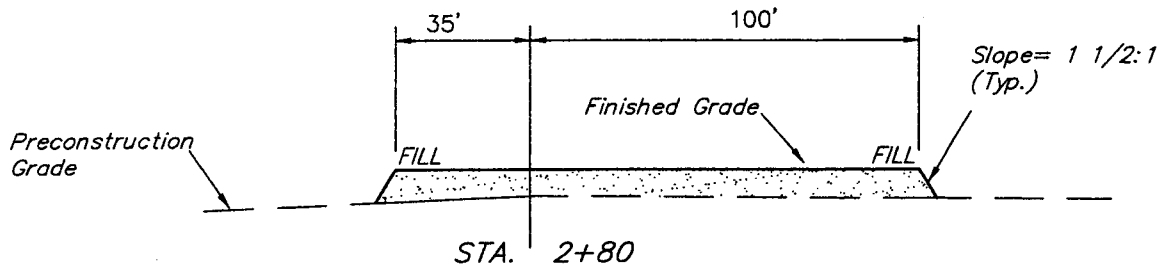
# LOUIS DREYFUS NATURAL GAS CORP.

## TYPICAL CROSS SECTIONS FOR

FENCE CANYON #31-2  
SECTION 31, T15S, R23E, S.L.B.&M.  
1914' FSL 2265' FWL



DATE: 5-30-01  
Drawn By: C.G.

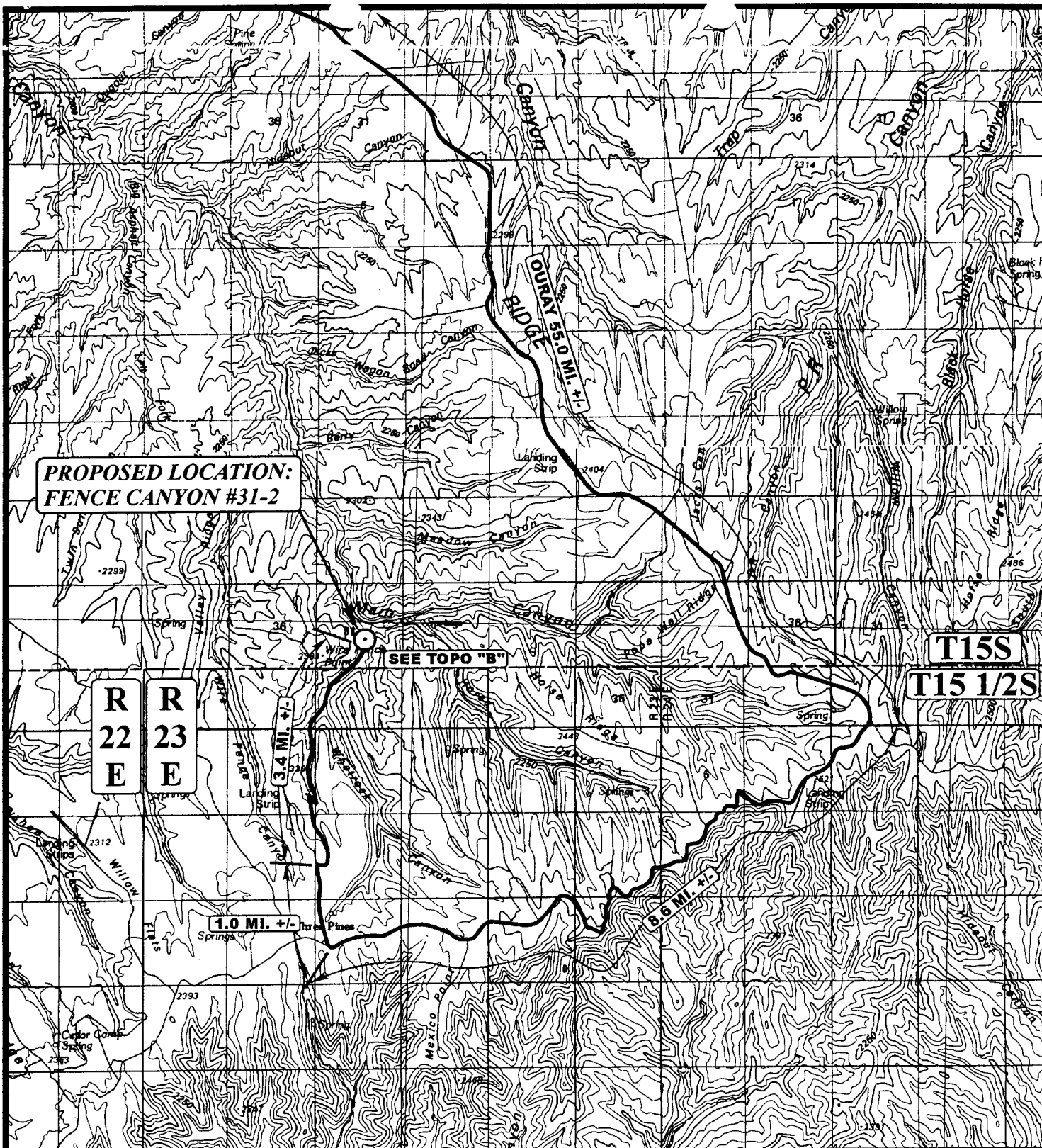


### APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 940 Cu. Yds.
Remaining Location	= 3,300 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 4,240 CU.YDS.</b>
<b>FILL</b>	<b>= 1,570 CU.YDS.</b>

EXCESS MATERIAL AFTER 5% COMPACTION	= 2,590 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,100 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 490 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017



# LEGEND:

○ PROPOSED LOCATION



Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813



# LOUIS DREYFUS NATURAL GAS CORP.

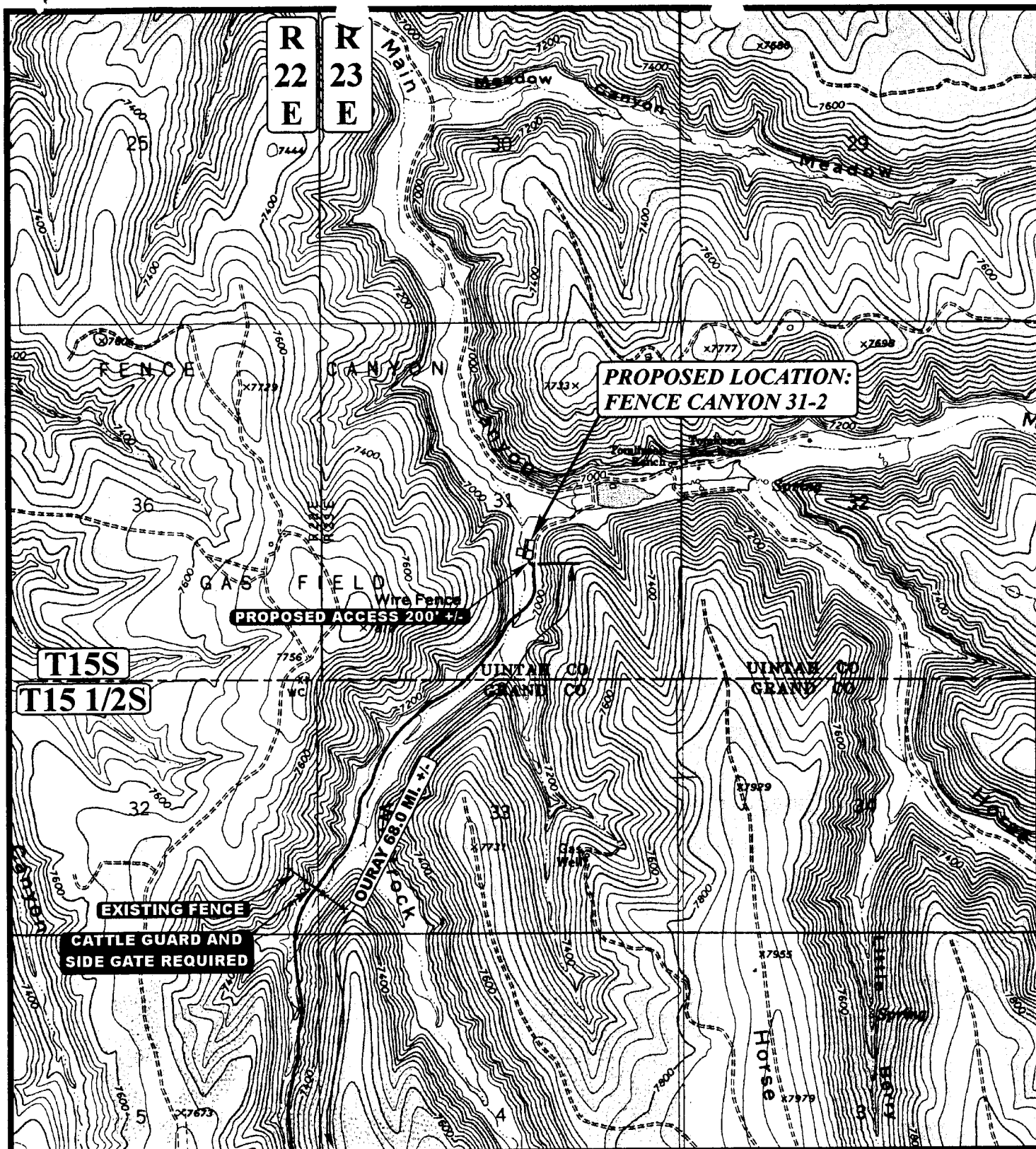
FENCE CANYON #31-2  
SECTION 31, T15S, R23E, S.L.B.&M.  
1914' FSL 2265' FEL

TOPOGRAPHIC  
MAP

5 2801  
MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: K.G. REVISED: 00-00-00

A  
TOPO



# **LEGEND:**

----- PROPOSED ACCESS ROAD  
 \_\_\_\_\_ EXISTING ROAD

**LOUIS DREYFUS NATURAL GAS CORP.**

**FENCE CANYON #31-2**  
**SECTION 31, T15S, R23E, S.L.B.&M.**  
**1914' FSL 2265' FEL**



**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813



**TOPOGRAPHIC**  
**MAP**

**5** **28** **01**  
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: K.G. REVISED: 00-00-00

**B**  
**TOPO**

## MULTI-POINT SURFACE USE AND OPERATIONS PLAN

LOUIS DREYFUS NATURAL GAS CORP.  
LDNGC FENCE CANYON FEDERAL 31 NO. 2  
UINTAH COUNTY, UTAH  
LEASE NO. UTU 44438

This plan is submitted with the Application for Permit to Drill the above described well. The purpose of the plan is to identify the location of the proposed well, the proposed construction activities and operations plan, the magnitude of necessary surface disturbance involved and the procedures to be followed in rehabilitating the surface after completion of the operation so that a complete appraisal may be made of the environmental effects associated with the operation.

The well, and work area have been staked by a registered Utah land surveyor. Montgomery Archaeological Consultants has been engaged to make an "Cultural Resource Inventory" of the work area. A copy of their findings concerning cultural resources were mailed to the Bureau of Land Management on June 2, 2001. A copy is also attached for your reference (Exhibit "A")

### 1. Existing Roads

A copy of the PR Spring quadrangle, Utah, 7.5 Minute quad map is attached showing the proposed location. The well location is spotted on this map, which also shows the existing road system. Exhibit B.

Directions to location:

From Vernal Utah go West on highway 40 for 11 miles, turn South on highway 88, go South to Ouray. Well is approximately 68 miles South of Ouray, see attached exhibit "B".

### 2. Planned Access Road

1. No new access road will be built. See exhibit "B".
2. Surfacing material: N/A
3. Maximum Grade: N/A
4. Turnouts: N/A
5. Drainage Design: N/A

6. Culverts: N/A
  7. Cuts and Fills: N/A
  8. Gates and Cattlegaurds: A cattleguard and gate will be installed on existing road approximately one mile South of location.
3. Existing wells within one mile radius of the proposed well are shown on Exhibit C.
4. Location of Existing and/or Proposed Facilities
1. If the well is productive, production facilities will be constructed on the well pad. The facility will consist of a separator, dehydrator, one 210 bbl oil tank and one 210 bbl fiberglass water tank. All permanent above ground facilities will be painted in accordance with the BLM's painting guidelines simulating the color of Carlsbad Canyon.
  2. All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to and a site security plan will be submitted for the LDNGC Fence Canyon Federal 31 #2 tank battery. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed.
5. Location and Type of Water Supply
- Pond – SE 4 NE 4, Sec. 31-15S-23E.
6. Source of Construction Materials
- No outside construction material will be used.
7. Method of Handling Waste Disposal
1. Drill Cuttings will be disposed of in drilling pits.
  2. Drilling fluids will be allowed to evaporate in the drilling pits until pits are dry.
  3. Water produced during tests will be disposed of in the drilling pits. Oil produced during tests will be stored in test tanks until sold.
  4. Current laws and regulations pertaining to the disposal of human waste will be complied with.



5. Trash, waste paper, garbage and junk will be collected in steel trash bins and removed after drilling and completion operations are completed. All waste material will be contained to prevent scattering by the wind.
6. All trash and debris will be removed from the wellsite within 30 days after finishing drilling and/or completion operations.
8. Ancillary Facilities
  1. None needed.
9. Wellsite Layout
  1. The location and dimensions of the well pad, mud pits, reserve pit and location of major rig components are shown on the well site layout sketch. Exhibit "D".
  2. Leveling of the wellsite will be required with minimal cuts or fills anticipated.
  3. The reserve pit will be plastic lined.
  4. The pad and pit area have been staked and flagged.
10. Plans for Restoration of the Surface
  1. All topsoil will be windrowed off location and re-seeded with 3 lbs per acre of smooth Broom grass and 3 lbs per acre of intermediate Wheat grass. After completion of drilling and/or completion operations, all equipment and other materials not needed for operations will be removed.
  2. Pits will be filled and location cleaned of all trash and junk to leave the well site in as aesthetically pleasing condition as possible. Any plastic material used to line the pits or sumps will be cut off below ground level as far as possible and disposed of before the pits are covered. All unattended pits containing liquid will be fenced and the liquid portion allowed to evaporate before the pits are broken and backfilled.
  3. After abandonment of the well, surface restoration will be in accordance with BLM specifications. This will be accomplished as expeditiously as possible. Barring unforeseen problems, all pits will be filled and leveled within 90 days after abandonment.

11. Surface Ownership

The wellsite is on BLM surface.

12. Other information

1. Topography: The project area lies within the Bookcliffs-Roan Plateau physiographic unit, characterized by a system of linear cliffs (Stokes 1986:231). Elev. ungraded ground 6977'.
2. Soil: Claystone and Sandstone.
3. Flora and Fauna: The project area supports a desert shrub community with a pinyon-juniper/mixed conifer forest along the upper canyon slopes. Observed plant species included Douglas Fir, Ponderosa Pine, Pinyon, Juniper, Sagebrush, Mountain Mahogany, Spineless Horsebrush, and Oak Brush.
4. Ponds and streams: Canyon.
5. Residences and Other Structures: Farm house and outbuilding ½ mile east of location.
6. Archaeological, Historical and Cultural Sites: Cultural resources have been recorded in the area. Montgomery Archaeological Consultants has completed an archaeological report of the work area, see attached exhibit "A"
7. Land Use: Grazing
8. The well site, if a producer, will be maintained and kept clean of all trash and litter which detracts from the surrounding environment. Equipment will be maintained in accordance with good operating practice.
9. After the wellsite is cleaned and pits and sumps backfilled, any obstruction to the natural drainage will be corrected by ditching or terracing. All disturbed areas, including any access road no longer needed, will be ripped. Those areas will be reseeded with grass if, in the opinion of the landowner, it is required.

13. Operator's Representatives and Certification

The field representative responsible for assuring compliance with the approved surface use and operations plan are as follows:

Gene Simer  
District Operations Manager  
309 S. Halagueno Street  
Carlsbad, NM 88220  
Office: (505) 885-1313  
Mobile: (505) 390-3722

Alan McNally  
District Engineering Manager  
14000 Quail Springs Parkway, Suite 600  
Oklahoma City, OK 73134  
Office: (405) 749-5277  
Mobile: (405) 590-2449

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; that the work associated with the operations proposed herein will be performed by Louis Dreyfus Natural Gas Corp. and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

7/6/01

Date

Alan C. McNally

Alan C. McNally  
District Engineering Manager  
Louis Dreyfus Natural Gas Corp.

CULTURAL RESOURCE INVENTORY OF WELL LOCATIONS  
FENCE CANYON DELAMBERT #30-2, FENCE CANYON #31-2  
AND FENCE CANYON #32-2, UINTAH COUNTY, UTAH

By:

Keith R. Montgomery

Prepared For:

Bureau Of Land Management  
Vernal Field Office  
and  
State of Utah  
School and Institutional  
Trust Land Administration

Prepared Under Contract With:

Louis Dreyfus Natural Gas Corporation  
P.O. Box 370  
Carlsbad, NM 88221

Prepared By:

Montgomery Archaeological Consultants  
P.O. Box 147  
Moab, Utah 84532

June 2, 2001

MOAC 01-71

United States Department of Interior (FLPMA)  
Permit No. 01-UT-60122

State of Utah Antiquities Project (Survey)  
Permit No. U-01-MQ-0289b,p,s

## INTRODUCTION

A cultural resource inventory was conducted by Montgomery Archaeological Consultants (MOAC) of three proposed well locations for Louis Dreyfus Natural Gas Corporation. The well locations are designated Fence Canyon DeLambert #30-2, Fence Canyon #32-2 and Fence Canyon #32-1. The survey was implemented at the request of Mr. Gene Simer, Louis Dreyfus Natural Gas Corporation, Carlsbad, New Mexico. The project is situated on public land administered by the Bureau of Land Management (BLM), Vernal Field Office, on State of Utah Trust Lands Administration (SITLA) and private.

The objectives of the inventory was to locate, document, and evaluate any cultural resources within the project area in order to comply with Section 106 of 36 CFR 800, the National Historic Preservation Act of 1966 (as amended). Also, the inventory was implemented to attain compliance with a number of federal and state mandates, including the National Environmental and Policy Act of 1969, the Archaeological and Historic Conservation Act of 1972, the Archaeological Resources Protection Act of 1979, the American Indian Religious Freedom Act of 1978, and the Utah State Antiquities Act of 1973 (amended 1990).

The fieldwork was performed on June 1, 2001 by Keith R. Montgomery, Principal Investigator. The survey was carried out under the auspices of U.S.D.I. (FLPMA) Permit No. 01-UT-60122, and State of Utah Antiquities Permit (Survey) No. U-01-MQ-0289b,p,s issued to Montgomery Archaeological Consultants, Moab, Utah.

A file search for previous cultural resource inventories and archaeological sites was performed on May 31, 2001 by Kristin Jensen at the Division of State History, Salt Lake City. This consultation indicated that a number of surveys have been completed in the project area. In 1981, Gordon & Kranzush inventoried a pond and pipeline for Coseka Resources, finding no archaeological sites (Knox 1981). Also in 1981, well location #31-10 was surveyed by Powers Elevation, yielding no cultural resources (Frampton 1981). In 1982, a well location and access road was inspected by Gordon & Kranzush, resulting in the documentation of an ineligible lithic scatter (Gordon 1982). Grand River Consultants inventoried a pipeline in Main Canyon that resulted in the documentation of a significant alcove and rock art site (42Un1241) (Babcock 1982). The pictograph panel depicts a horse and rider, affiliated with the late prehistoric Ute culture. Another section of Northwest Pipeline Corporation pipeline was inspected by Grand River Consultants in 1983, finding a significant rock art panel associated with an alcove (42Un1075) (Babcock and Harley 1983). The petroglyphs and pictographs include a series of quadrupeds and anthropomorphs associated with a deer hunt, probably of Ute affiliation. In 1991, a survey was conducted by Archeological-Environmental Research Corporation for the Seep Ridge alternative highway (Hauck 1991). During this project the rock art/alcove (42Un1075) was re-recorded with the panels drawn to scale. Metcalf Archaeological Consultants surveyed several well locations for Beartooth Oil and Gas Company in 1994, finding no new cultural resources (Pool 1994).

## DESCRIPTION OF PROJECT AREA

The project area is situated in the Main Canyon locality adjacent to the Fence Canyon Gas Field, Uinta County, Utah (Figure 1). Proposed well location Fence Canyon DeLambert #30-2 is situated along Main Canyon T 15S, R 23E, Sec. 30 SE/SW. Proposed well location Fence Canyon #31-2 occurs at the confluence of Main Canyon and Whetrock Canyon in T 15S, R 23E, Sec. 31 NW/SE. Proposed well location Fence Canyon #32-2 is located on a ridge between Main Canyon and Meadow Canyon in T 15S, R 23E, Sec. 32 NW/NW. All the locations are accessed by existing graded roads.

The project area lies within the Bookcliffs-Roan Plateau physiographic unit, characterized by a system of linear cliffs (Stokes 1986:231). The inventory area occurs along on the alluvium-filled canyon floor and narrow ridge tops. Geologically, the project area is composed of the Eocene age Green River formation. This is a lacustrine deposit containing claystone, sandstone, and carbonate beds of a variety of colors (e.g., red, green, gray, brown and black) (Stokes 1986:154). Prehistorically, the tabular sandstone from the Green River formation was employed as building materials, and a dark brownish chert was exploited for lithic tool manufacturing (Spangler 1986). The elevation of the project area varies between 6960 ft and 7780 ft. The nearest water source is in Main Canyon. Situated within the Upper Sonoran Life Zone, the project area supports a desert shrub community with a pinyon-juniper/mixed conifer forest along the upper canyon slopes. Observed plant species included Douglas fir, ponderosa pine, pinyon, juniper, sagebrush, mountain mahogany, spineless horsebrush, and oak brush. Modern disturbances include roads, livestock grazing, and oil/gas development.

## SURVEY METHODOLOGY

An intensive pedestrian survey was performed for this project which is considered 100% coverage. At each of the proposed well locations a 10 acre square was defined, centered on the well pad center stake. The inventory areas were surveyed by the archaeologist walking parallel transects, spaced no more than 10 meters (30 feet) apart. Ground visibility was considered from fair to good. A total of 30 acres was inventoried for the project that included 10 acres on BLM (Vernal Field Office) administered land, 10 acres on SITLA land, and 10 acres under private ownership.

## RESULTS AND RECOMMENDATIONS

The inventory of Louis Dreyfus Natural Gas Corporation's three proposed well locations resulted in no cultural resources. Based on the findings, a determination of "no historic properties affected" is recommended for the project pursuant to Section 106, CFR 800.

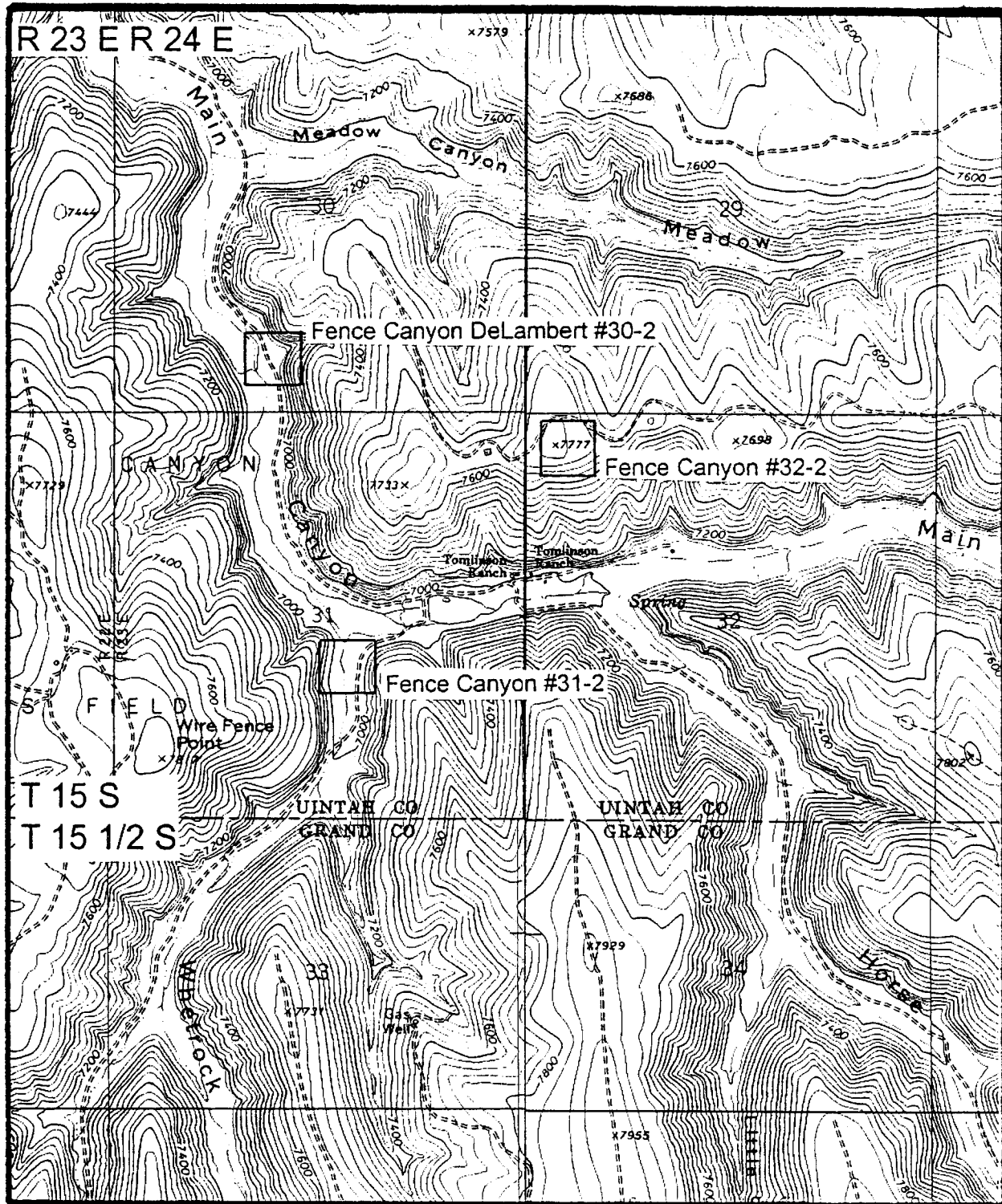
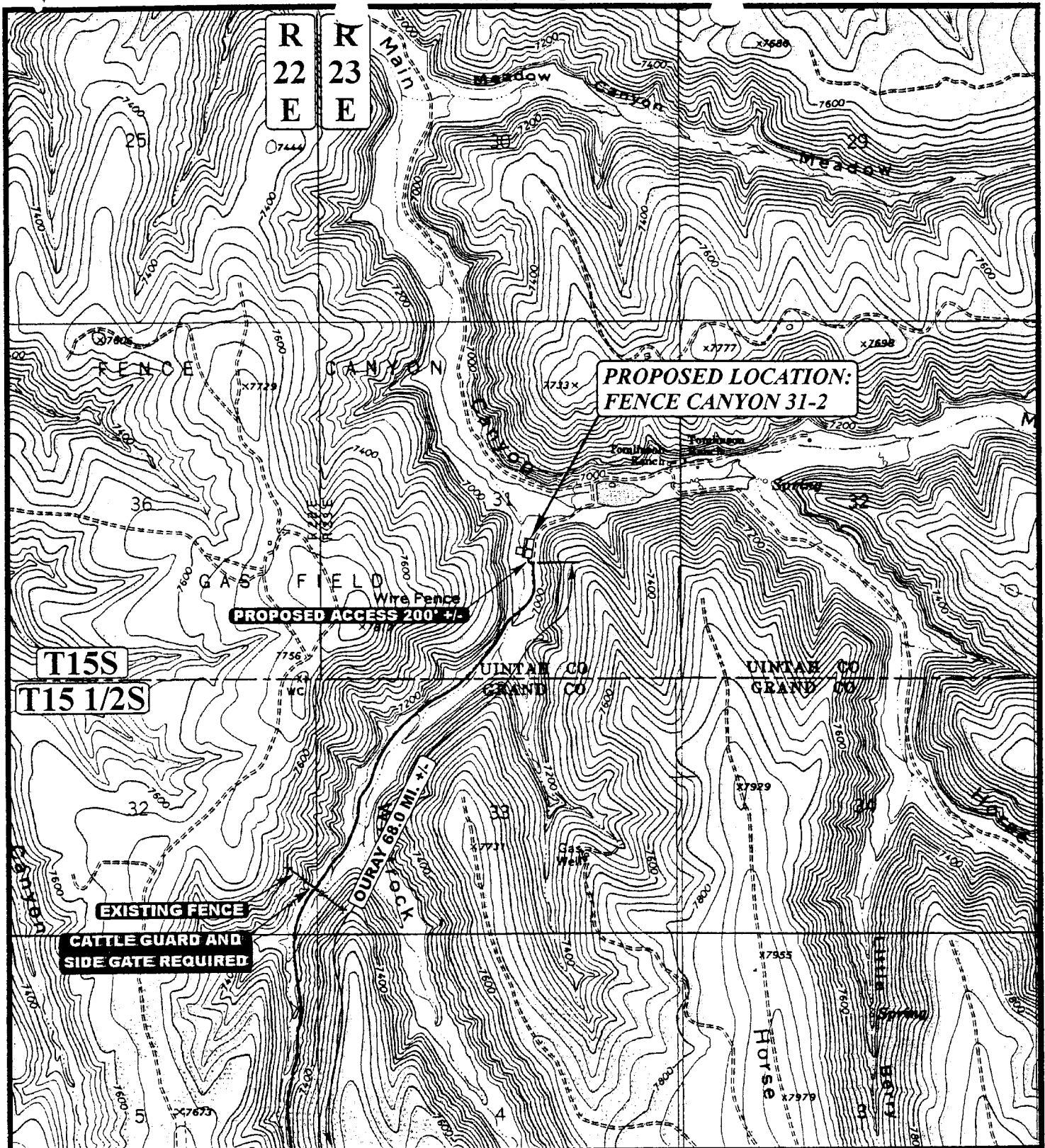


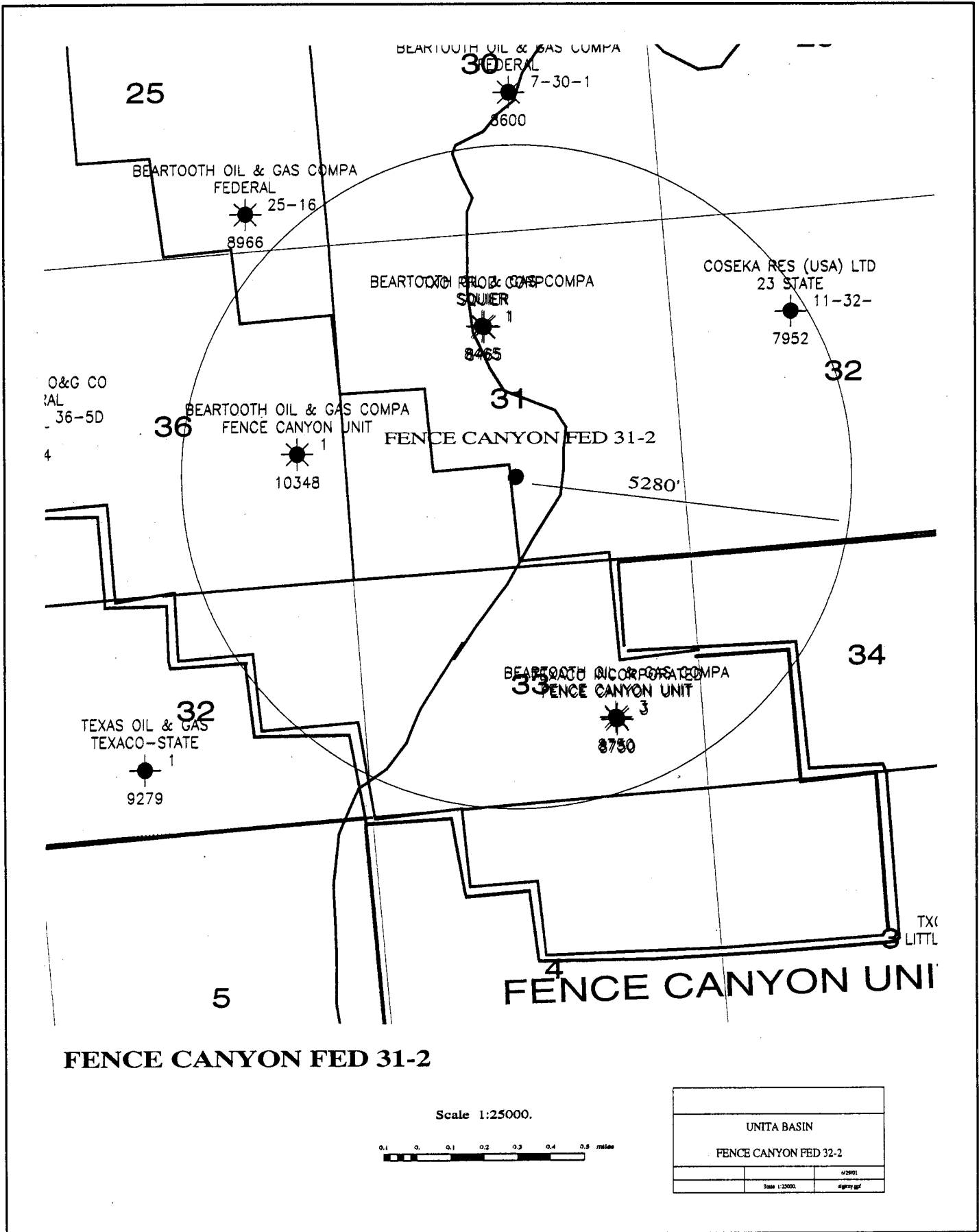
Figure 1. Inventory area of Louis Dreyfus Natural Gas Corporation's Fence Canyon DeLambert #30-2, Fence Canyon #31-2 and Fence Canyon #32-2 Well Locations. USGS 7.5' Cedar Camp Canyon, UT 1970 and P R Spring, UT 1970. Scale 1:24000.

## REFERENCES CITED

- Babcock, T.F.  
1982 Archaeological Survey of Northwest Pipeline Corporation's Well Tie to Squire #1 (R/W 81870), Grand and Uintah County, Utah. Grand River Consultants, Report No. U-82-GC-248b.
- Babcock, T.F., and J.D. Hartley  
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- Frampton, F.  
1981 Cultural Resource Management Report of Federal #31-10 Well Location in Uintah County, Utah. Powers Elevation, Archaeology Division, Denver.
- Gordon, E.K.  
1982 Cultural Resource Inventory of Coseka Resource's 15-11-15-23 Well Location in Uintah County, Utah. Gordon & Kranzush, Inc.
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1991 An Investigation of the Seep Ridge-Book Cliffs-Red Wash-Hay Canyon-Whetrock Canyon & Interstate 70 Exit 220 Alternative Highway Routes in Uintah and Grand Counties, Utah. Archeological-Environmental Research Corporation, Bountiful, UT.
- Knox, D.A.  
1981 Cultural Resource Inventory of Coseka Resource's Tomlinson Pond and Pipeline in Uintah County, Utah. Gordon & Kranzush, Inc.
- Pool, K.  
1994 Beartooth Oil and Gas Company's Proposed Pipeline Connection Duncan Federal #1 and Squire #1, in Uintah County, Utah. Metcalf Archaeological Consultants, Eagle, CO. Report No. U-94-MM-654.
- Spangler, J.D.  
1995 Paradigms and Perspectives: A Class I Overview of Cultural Resources in the Uinta Basin and Tavaputs Plateau. Uinta Research, Salt Lake City.
- Stokes, W.L.  
1986 *Geology of Utah*. Utah Museum of Natural History and Utah Geological and Mineral Survey, Salt Lake City.



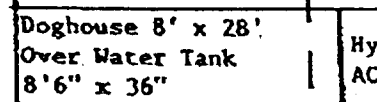
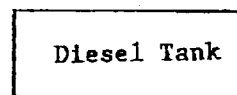
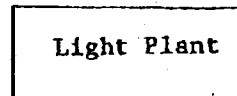
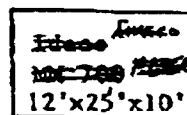
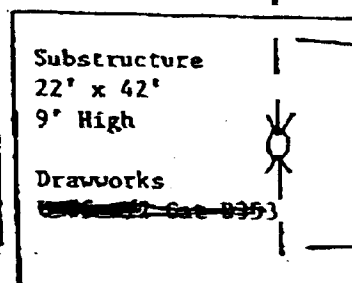
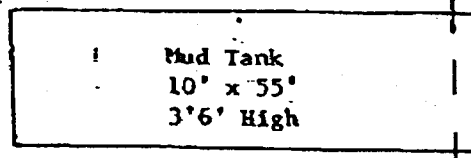
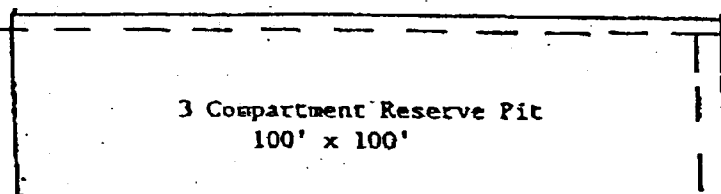
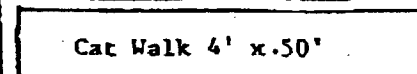
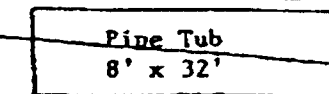
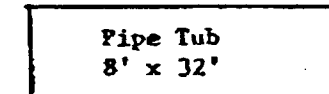
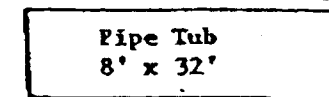
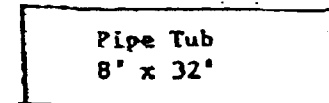
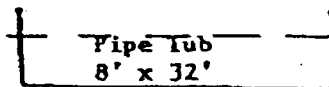
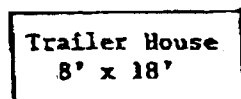






130'

150'

Hydril  
ACCMast  
L.C.M.  
126'Pipe Racks  
3'6" High

CYCLONE DRILLING RIG # 12

STATEMENT ACCEPTING RESPONSIBILITY FOR OPERATIONS

Operator name: Louis Dreyfus Natural Gas Corp.  
Street or Box: 14000 Quail Springs Parkway, Suite 600  
City, State: Oklahoma City, OK  
Zip Code: 73134

The undersigned accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof, as described below:

Lease No.: UTU 44438  
Legal Description of Land: Sec. 31-15S-23E, Uintah County, UT  
Formation(s) (if applicable): Dakota/Cedar Mountain Sand  
Bond Coverage: Nationwide  
BLM Bond File No.: CO-1050

Authorized Signature:



Title: Regulatory Technician

Date: July 5, 2001

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 5

DESIGNATION OF AGENT OR OPERATOR

The undersigned is, on record, the holder of oil and gas lease

LEASE NAME: Department of The Interior / BLM  
LEASE NUMBER: UTU - 044438

and hereby designates

NAME: Louis Dreyfus Natural Gas Corp.  
ADDRESS: 14000 <sup>Quail</sup> ~~Quail~~ Springs Parkway, Suite 600  
city Oklahoma City state OK zip 73134-2600

as his (check one) agent ☐ / operator ☒ with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the Division Director or Authorized Agent may serve written or oral instructions in securing compliance with the Oil and Gas Conservation General Rules and Procedural Rules of the Board of Oil, Gas and Mining of the State of Utah with respect to:

(Describe acreage to which this designation is applicable. Identify each oil and gas well by API number and name. Attach additional pages as needed.)

Township 15 South, Range 23 East, SLB&M  
Section 31: SE/4, NE/4SW/4  
Uintah County, Utah

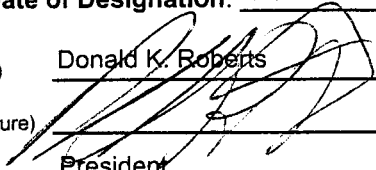
Fence Canyon #2-31  
API#  
1914' fsl & 2265' fel

It is understood that this designation of agent/operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Oil and Gas Conservation General Rules and Procedural Rules of the Board of Oil, Gas and Mining of the State of Utah. It is also understood that this designation of agent or operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated agent/operator, the lessee will make full and prompt compliance with all rules, lease terms or orders of the Board of Oil, Gas and Mining of the State of Utah or its authorized representative.

The lessee agrees to promptly notify the Division Director or Authorized Agent of any change in this designation.

Effective Date of Designation: 04/21/2001

BY: (Name) Donald K. Roberts  
(Signature)   
(Title) President  
(Phone) (406) 259-2451

OF: (Company) Beartooth Oil & Gas Company  
(Address) P.O. Box 2564  
city Billings  
state MT zip 59103

## LAND OWNER CONSENT FORM

TO WHOM IT MAY CONCERN

I, Burton H. DeLambert, THE SURFACE OWNER OF SAID

LAND LOCATED IN SE 1/4/NE 1/4, Sec. 31, T-15S, R23E, Uintah County, Utah,  
(Legal Description of Land)

DO HEREBY GIVE MY PERMISSION TO LOUIS DREYFUS NATURAL GAS CORP. OR ITS

DULY AUTHORIZED REPRESENTATIVES TO DIVERT WATER FROM A

Pond, LOCATED IN THE SAME LEGAL DESCRIPTION  
(Source)

AND TO PIPE OR HAUL WATER ACROSS THE ABOVE-DESCRIBED PROPERTY.

*for drilling purposes only*

Louis Dreyfus Natural Gas Corp.  
Operator

Fence Canyon Federal 31 #2  
Lease Name

Burton H. DeLambert  
Signature

Burton H. DeLambert  
Name (Please Print)

P.O. Box 607  
Address

Vernal, Utah 84078  
City, State, Zip

(435) 790-5288  
Telephone Number

491223  
Water Right Number

6-21-01  
Date

**WORKSHEET**  
**APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 07/09/2001

API NO. ASSIGNED: 43-047-34183

WELL NAME: FENCE CYN FED 31 #2

OPERATOR: LOUIS DREYFUS NAT GAS ( N1710 )

CONTACT: CARLA CHRISTIAN

PHONE NUMBER: 405-749-1300

**PROPOSED LOCATION:**

NWSE 31 150S 230E

SURFACE: 1914 FSL 2265 FEL

BOTTOM: 1914 FSL 2265 FEL

UINTAH

FENCE CANYON ( 200 )

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-44438

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: DK-CM

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

**RECEIVED AND/OR REVIEWED:**

☒ Plat

☒ Bond: Fed[1] Ind[] Sta[] Fee[]

(No. CO-1050 )

☒ Potash (Y/N)

☒ Oil Shale 190-5 (B) or 190-3 or 190-13

☒ Water Permit

(No. 49-1223 )

☒ RDCC Review (Y/N)

(Date: \_\_\_\_\_ )

☒ Fee Surf Agreement (Y/N)

**LOCATION AND SITING:**

☐ R649-2-3. Unit \_\_\_\_\_

☐ R649-3-2. General

☐ Siting: 460 From Qtr/Qtr & 920' Between Wells

☒ R649-3-3. Exception

☒ Drilling Unit

Board Cause No: 149-8 (200')

Eff Date: 4-30-81

Siting: 1000 ft. Dr. Unit Boundary E.  
2500 between wells.

☐ R649-3-11. Directional Drill

**COMMENTS:**

Need "Ex. Loc" info. (Rec'd 7-30-01)

**STIPULATIONS:**

① FEDERAL APPROVAL

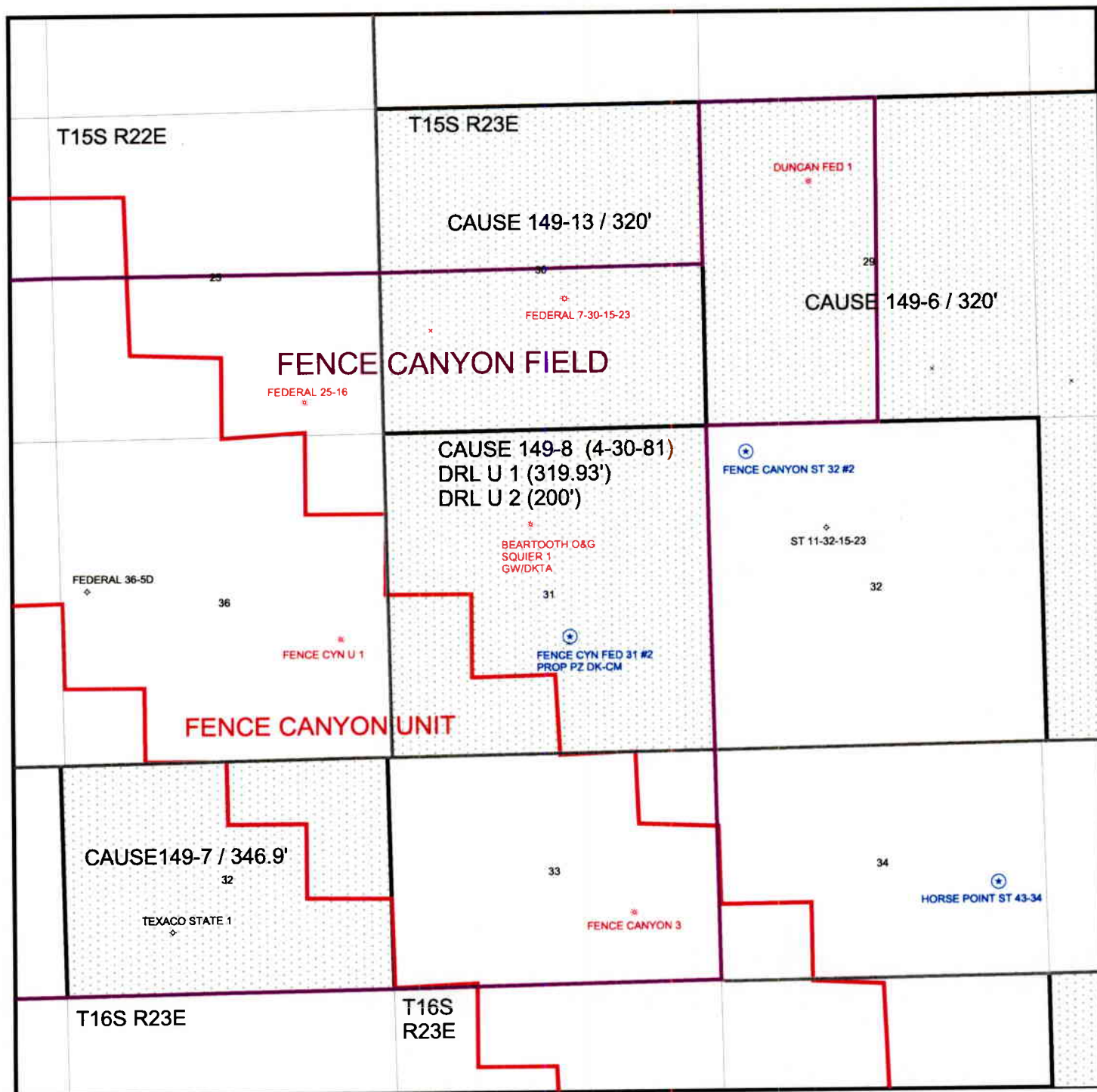


OPERATOR: LOUIS DREYFUS NAT GAS (N1710)

SEC. 31, T15S, R23E

FIELD: FENCE CANYON (200)

COUNTY: UINTAH CAUSE: 149-8





TRANSACTION REPORT

P.01

JUL-18-2001 WED 09:18 AM

FOR: OIL, GAS & MINING

801 359 3940

DATE	START	RECEIVER	TX TIME	PAGES	TYPE	NOTE	M#	DP
JUL-18	09:17 AM	14057496690	1' 13"	4	SEND	OK	643	

TOTAL : 1M 13S PAGES: 4



**State of Utah**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt  
Governor  
Kathleen Clarke  
Executive Director  
Lowell P. Braxton  
Division Director

1594 West North Temple, Suite 1210  
PO Box 145601  
Salt Lake City, Utah 84114-5601  
801-538-6340  
801-359-3940 (Fax)  
801-538-7223 (TDD)

UTAH DIVISION OF OIL, GAS AND MINING  
FACSIMILE COVER SHEET

DATE: July 18, 01

FAX #: (405) 749-6690

ATTN: Carla Christian

COMPANY: Louis Dreyfus Nat. Gas

DEPARTMENT: \_\_\_\_\_

NUMBER OF PAGES: (INCLUDING THIS ONE) 4

FROM: Lisha Condore

If you do not receive all of the pages, or if they are illegible, please call (801)538-5340.  
We are sending from a sharp facsimile machine. Our telecopier number is (801)359-3940.

BE THE BOARD OF OIL, GAS AND MINING  
DEPARTMENT OF NATURAL RESOURCES  
IN AND FOR THE STATE OF UTAH

IN THE MATTER OF THE APPLICATION \*  
OF TEXAS OIL AND GAS CORP. FOR AN \*  
ORDER EXTENDING DRILLING AND \*  
SPACING UNITS AS ESTABLISHED \*  
UNDER THIS BOARD'S ORDER IN CAUSE \*  
NO. 149-1 FOR THE CASTLEGATE \*  
MEMBER OF THE MESA VERDE \*  
FORMATION, THE BRUSHY BASIN \*  
MEMBER OF THE MORRISON FORMATION, \*  
THE SALT WASH MEMBER OF THE \*  
MORRISON FORMATION, THE DAKOTA, \*  
CEDAR MOUNTAIN AND ENTRADA \*  
FORMATIONS, UNDERLYING SECTION 31 \*  
OF TOWNSHIP 15 SOUTH, RANGE \*  
23 EAST, S.L.M., UINTAH COUNTY, \*  
UTAH \*

ORDER

Cause No. 149-8

Pursuant to an application of Texas Oil and Gas Corp., this Cause came on for hearing before the Board of Oil, Gas and Mining, Department of Natural Resources, State of Utah on Thursday, April 30, 1981 at 9:00 o'clock A.M. in the Airport Holiday Inn - Executive Conference Room, 1659 West North Temple, Salt Lake City, Utah.

The following Board members were present:

Charles R. Henderson, Chairman, Presiding

Edward T. Beck

Steele McIntyre

John L. Bell

Margaret Bird

Robert R. Norman

The following Staff members were present:

Cleon B. Feight, Director

Mike Minder, Geological Engineer

Appearances were made as follows: For Texas Oil and Gas Corp., (Applicant) Hugh C. Garner, Esq., 1100 Kennecott Building, Salt Lake City, Utah, 84133; for Texaco, Inc., Lou Amich.

FINDINGS

NOW THEREFORE, the Board having considered the testimony

149-8

adduced and the exhibits reviewed in said hearing and being fully advised in the premises, now makes and enters the following:

1. In pursuance of the application of G. W. Anderson this Board issued its Order in Cause No. 149-1 under date of March 14, 1973 establishing drilling units of uniform size and shape with respect to certain lands therein more particularly described as being situate in Townships 15-1/2 and 16 South, Ranges 24 and 25 East, S.L.M.

2. Said Order provided for drilling units of between 280 and 320 surface acres, according to the Government survey for said lands, and included in said lands the Dakota, Morrison, Salt Wash, Cedar Mountain, Entrada and Buckhorn Formations and the Castlegate Member of the Mesa Verde Group.

3. The Applicant has applied for an Order extending drilling and spacing units as established under this Board's Order in said Cause No. 149-1 for said formations underlying Section 31, Township 15-1/2 South, Range 23 East, S.L.M., Uintah County, Utah, and the spacing units applied for being more particularly described as follows: 15

Drilling Unit No. 1:

Section 31: Lots 1 and 2, E1/2NW1/4  
NE1/4

(Containing 319.93 acres, more or less)

Drilling Unit No. 2

Section 31: SE1/4, NE1/4SW1/4

(Containing 200 acres, more or less)

4. Sufficient evidence now being available upon which to reach a decision, with the concurrence of Texaco, Inc. in the applied for spacing units, and in the absence of objection, the Board issues the following:

ORDER

IT IS HEREBY ORDERED by this Board as follows:

To prevent the waste of oil, gas and associated hydrocarbons, to avoid the drilling of unnecessary wells, to protect correlative rights and to establish drilling units/zones of uniform size and shape, the Board hereby extends its Order heretofore entered in Cause No. 149-1 and Orders and Decrees as follows:

With respect to said Section 31 a well shall be permitted for drilling in said section in the following spacing unit, more particularly described as follows, to wit:

Township 15 South, Range 23 East, S.L.M.

Drilling Unit No. 1

Section 31: Lots 1 and 2, E1/2NW1/4, NE1/4

(Containing 319.93 acres, more or less)

Drilling Unit No. 2

Section 31: SE1/4, NE1/4SW1/4

(Containing 200 acres, more or less)

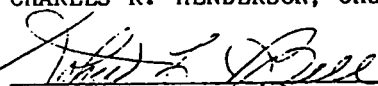
for the Dakota, Cedar Mountain, Castlegate and Morrison Formations underlying said drilling and spacing units.

A well shall be permitted on said units (as to which there is not presently a well drilled or a well proposed to be drilled as herein designated) to be located not nearer than 1,000 feet from the spacing unit boundary with a 500-foot tolerance, to be granted administratively, for geological and/or topographical exceptions; and no closer than 2,500 feet from a producing well in the adjacent area, and that a 500-foot tolerance is hereby permitted in the footage between wells in the event surface obstructions or undue hazards are encountered.

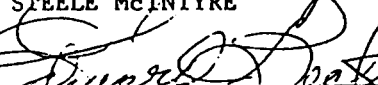
DATED this 30th day of April, 1981.


BOARD OF OIL, GAS AND MINING  
OF THE STATE OF UTAH

  
CHARLES R. HENDERSON, Chairman

  
JOHN L. BELL

  
STEELE MCINTYRE

  
EDWARD T. BECK

  
MARGARET BIRD

ROBERT R. NORMAN



July 23, 2001

Board of Oil, Gas and Mining Department  
of Natural Resources, State of Utah  
1594 West North Temple, Suite 210  
P.O. Box 145801  
Salt Lake City, Utah 84114-5801

ATTN: Lisa Cordova

RE: Section 31-15S-23E, S.L.M.  
Uintah County, Utah  
Cause No. 149-8

Gentlemen:


Louis Dreyfus Natural Gas Corp. respectfully requests an Exception to Order 149-8. Our proposed location is 1,914' FSL and 2,265' FEL of Section 31-15S-23E. This location is about 681' from the unit boundary line. We request the Board grant the 500' tolerance as stated in Order 149-8.

Additionally this location falls approximately 1,926' from the Beartooth operated Squires #1 well. We ask for additional relief from the 500' tolerance stated in Order 149-8.

Our well location is necessitated by topographic restrictions as shown on the enclosed staking plat. Also enclosed is a waiver letter from Beartooth Oil and Gas. Please advise upon approval, or if additional information is needed.

Sincerely,

LOUIS DREYFUS NATURAL GAS CORP.

  
Rusty Waters  
District Landman

RW/eeo

100-100  
CLERK OF DISTRICT COURT



**BEARTOOTH OIL & GAS COMPANY**

P.O. Box 2564  
Billings, Montana 59103

(406) 259-2451  
FAX (406) 259-9385

June 28, 2001

Louis Dreyfus Natural Gas Corp.  
Attention: Rusty Waters  
14000 Quail Springs Parkway, Suite 600  
Oklahoma City, Oklahoma 73134-2600

07-02-01P03:13 RCVD

Re: Fence Canyon Area Farmout Agreement  
Revised Lease Schedule  
Grand and Uintah Counties, Utah

Dear Mr. Waters:

Enclosed please find a revised Lease Schedule to be attached to LDNG's copy of the Farmout Agreement. We inadvertently omitted Federal Lease U-8351 covering T15S-R23E-Sec. 30: NE, N½SE, SESE from the original lease schedule.

The locations for the first three wells to be drilled under the Farmout Agreement dated April 20, 2001 between Louis Dreyfus Natural Gas Corp. and Beartooth are:

- 1) 463' FNL & 580' FWL of Section 32-15S-23E
- 2) 691' FSL & 1,975' FWL of Section 30-15S-23E
- 3) 1,914' FSL & 2,265' FEL of Section 31-15S-23E

In accordance with our previous conversations and pursuant to Paragraph C(2) of the above mentioned Farmout Agreement, Beartooth hereby grants prior approval for the drilling of the wells in Section 30 and 31 at locations closer than 2,500 feet from presently producing wells.

Yours very truly,  
BEARTOOTH OIL & GAS COMPANY

Donald K. Roberts  
President

DKR/lr  
Enclosure

**T15S, R23E, S.L.B.&M.**

**LOUIS DREYFUS NATURAL GAS CORP.**

Well location, FENCE CANYON #31-2, located as shown in NW 1/4 SE 1/4 of Section 31, T15S, R23E, S.L.B.&M. Uintah County, Utah.

1921 Brass Cap,  
0.6' High, Pile  
of Stones

1921 Brass Cap  
0.1' High

N89°53'16"E - 5267.78' (Meas.)

NORTH - 80.00 (G.L.O.)

S00°03'17"E - 5282.13' (Meas.)

Lot 1

Lot 2

31

**FENCE CANYON #31-2**

Elev. Ungraded Ground = 6977'

Lot 3

Lot 4

2265'

1914' (Comp.)

N49°49'52"W  
2966.30'

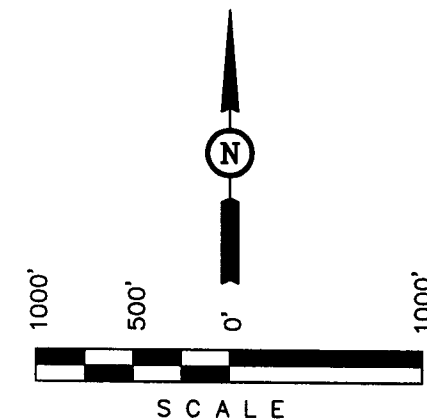
89°57'  
(G.L.O.)

1918 Brass Cap,  
1.7' High, Pile  
of Stones

80.00 (G.L.O.)

### BASIS OF ELEVATION

SPOT ELEVATION ON A HILL TOP IN THE NW 1/4 OF SECTION 32, T15S, R23E, S.L.B.&M. TAKEN FROM THE PR SPRING QUADRANGLE, UTAH, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 7777 FEET.



### CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

NO. 161319  
ROBERT L. [Signature]  
REGISTERED LAND SURVEYOR  
REGISTRATION NO. 161319  
STATE OF UTAH

### LEGEND:

└─┘ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED. BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

LATITUDE = 39°28'04"

LONGITUDE = 109°22'59"

### BASIS OF BEARINGS

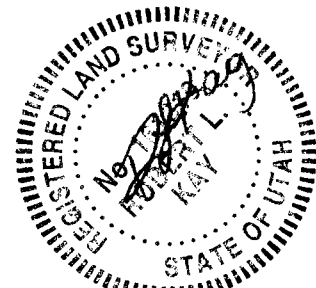
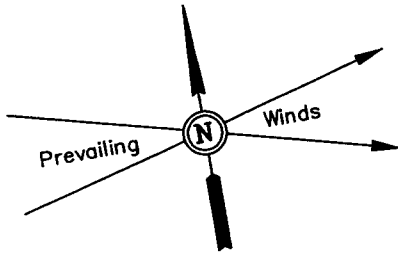
**UINTAH ENGINEERING & LAND SURVEYING**  
85 SOUTH 200 EAST - VERNAL, UTAH 84078  
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 5-23-01	DATE DRAWN: 5-29-01
PARTY B.B. J.T. C.G.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE LOUIS DREYFUS NATURAL GAS CORP.	

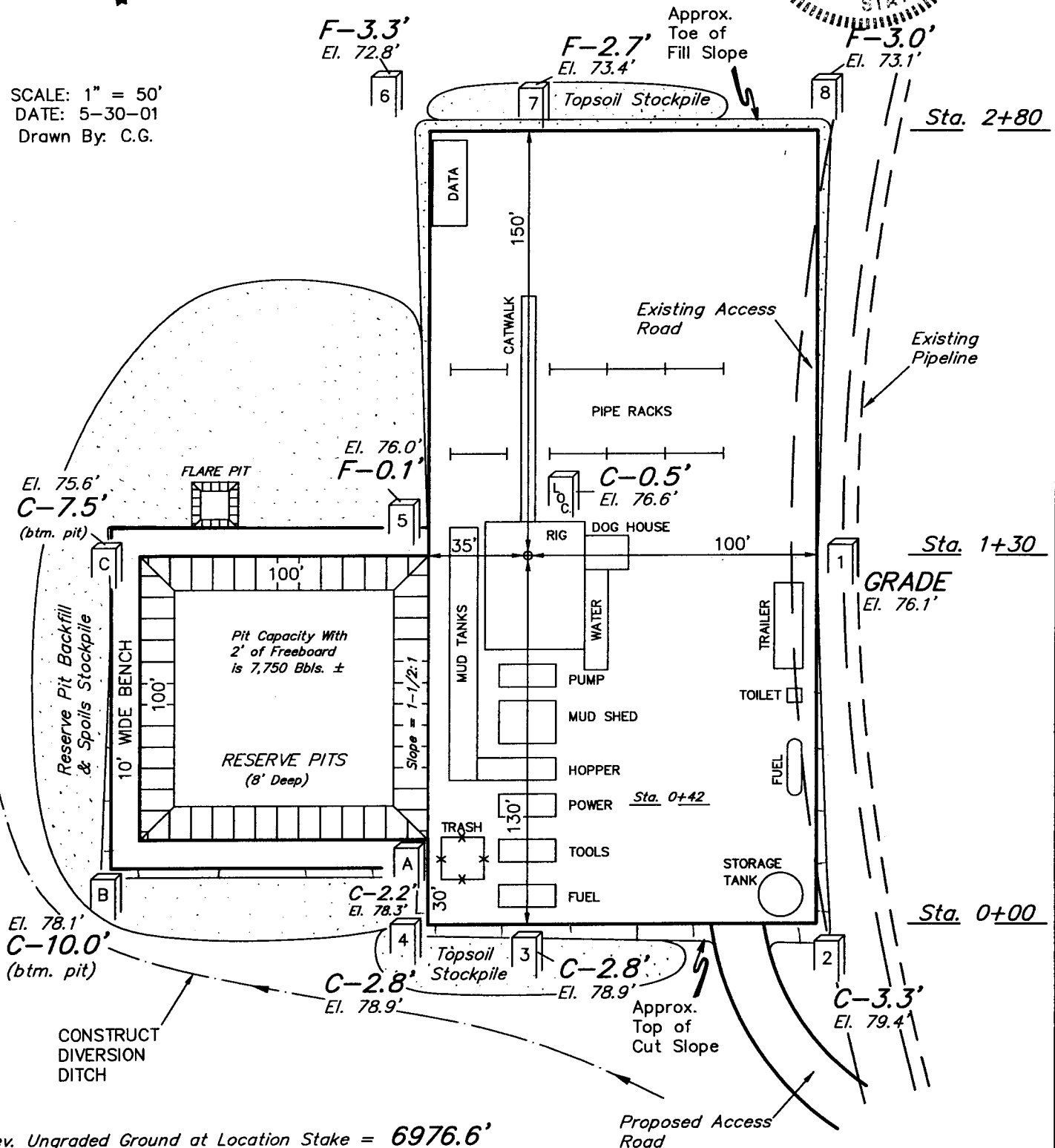
# LOUIS DREYFUS NATURAL GAS CORP.

## LOCATION LAYOUT FOR

FENCE CANYON #31-2  
SECTION 31, T15S, R23E, S.L.B.&M.  
1914' FSL 2265' FWL



SCALE: 1" = 50'  
DATE: 5-30-01  
Drawn By: C.G.



Elev. Ungraded Ground at Location Stake = 6976.6'

Elev. Graded Ground at Location Stake = 6976.1'

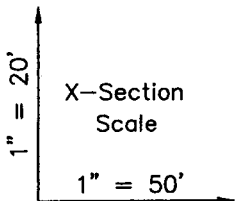
UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017



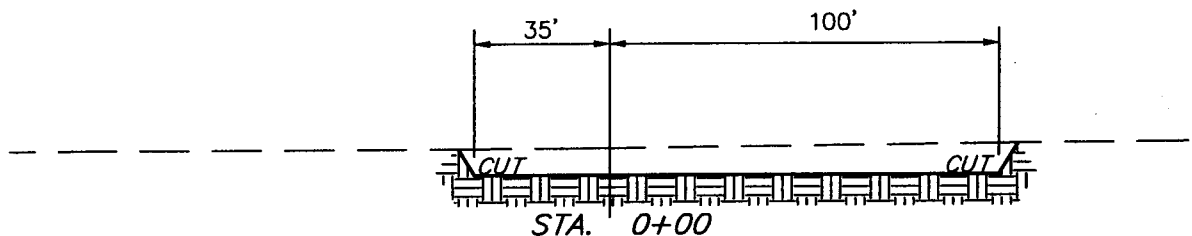
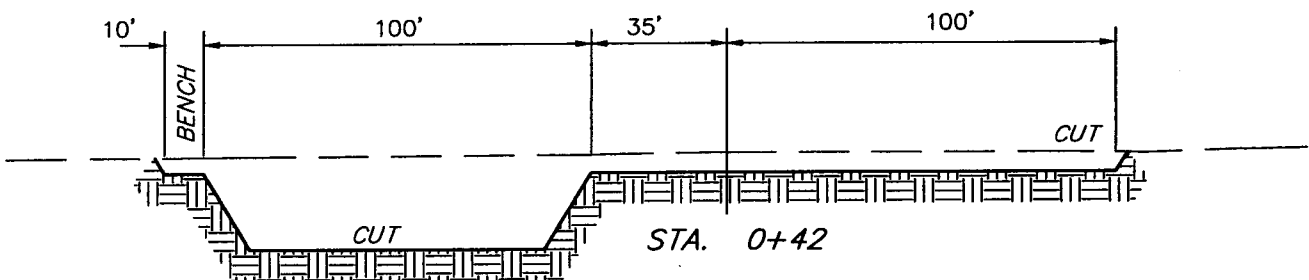
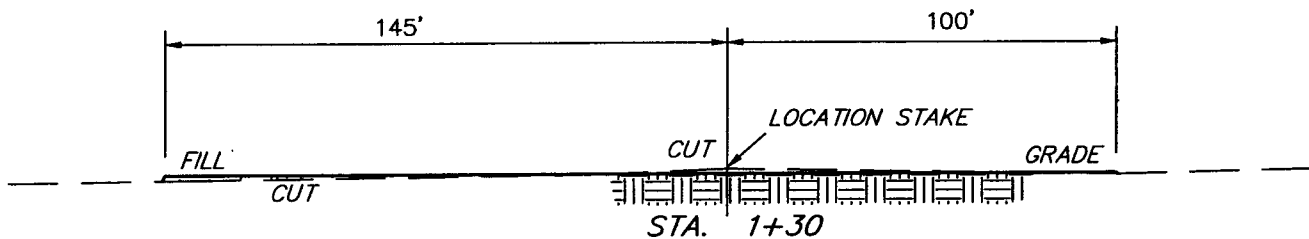
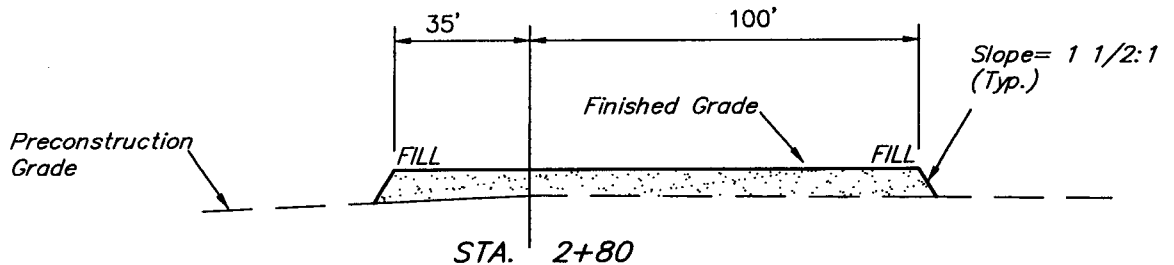
# LOUIS DREYFUS NATURAL GAS CORP.

## TYPICAL CROSS SECTIONS FOR

FENCE CANYON #31-2  
SECTION 31, T15S, R23E, S.L.B.&M.  
1914' FSL 2265' FWL



DATE: 5-30-01  
Drawn By: C.G.



### APPROXIMATE YARDAGES

CUT  
(6") Topsoil Stripping = 940 Cu. Yds.  
Remaining Location = 3,300 Cu. Yds.  
TOTAL CUT = 4,240 CU.YDS.  
FILL = 1,570 CU.YDS.

EXCESS MATERIAL AFTER  
5% COMPACTION = 2,590 Cu. Yds.  
Topsoil & Pit Backfill  
(1/2 Pit Vol.) = 2,100 Cu. Yds.  
EXCESS UNBALANCE = 490 Cu. Yds.  
(After Rehabilitation)

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017



**LOUIS DREYFUS NATURAL GAS CORP.**  
**FENCE CANYON #31-2**  
LOCATED IN UINTAH COUNTY,  
SECTION 31, T15S, R23E, S.L.B.&M.



**PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE**

**CAMERA ANGLE: EASTERLY**



- Since 1964 -

**UELS** Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
435-789-1017 uels@uelsinc.com

**LOCATION PHOTOS**

**5**  
MONTH

**29**  
DAY

**01**  
YEAR

**PHOTO**

TAKEN BY: B.B.

DRAWN BY: K.G.

REVISED: 00-00-00









State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt  
Governor

Kathleen Clarke  
Executive Director

Lowell P. Braxton  
Division Director

1594 West North Temple, Suite 1210  
PO Box 145801  
Salt Lake City, Utah 84114-5801  
801-538-5340  
801-359-3940 (Fax)  
801-538-7223 (TDD)

July 30, 2001

Louis Dreyfus Natural Gas Corporation  
14000 Quail Springs Parkway, Suite 600  
Oklahoma City, OK 73134

Re: Fence Canyon Federal 31 #2 Well, 1914' FSL, 2265' FEL, NW SE, Sec. 31, T. 15 South, R. 23 East, Uintah County, Utah

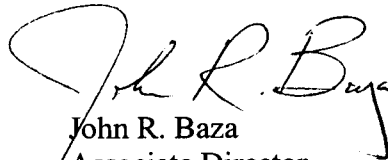
Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-34183.

Sincerely,



John R. Baza  
Associate Director

er

Enclosures

cc: Uintah County Assessor  
Bureau of Land Management, Vernal District Office

**Operator:** Louis Dreyfus Natural Gas Corporation  
**Well Name & Number** Fence Canyon Federal 31 #2  
**API Number:** 43-047-34183  
**Lease:** UTU 44438

**Location:** NW SE      **Sec.** 31      **T.** 15 South      **R.** 23 East

### **Conditions of Approval**

**1. General**

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

**2. Notification Requirements**

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

**3. Reporting Requirements**

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

**4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK <b>DRILL</b> <input checked="" type="checkbox"/> <b>DEEPEN</b> <input type="checkbox"/>		5. LEASE DESCRIPTION AND SERIAL NO. <b>UTU - 44438</b>	
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR <b>Louis Dreyfus Natural Gas Corporation</b>		7. UNIT AGREEMENT NAME	
3. ADDRESS AND TELEPHONE NO. <b>14000 Quail Springs Parkway, Suite 600, Oklahoma City, OK 73134</b>		8. FARM OR LEASE NAME, WELL NO. <b>Fence Canyon Federal 31 #2</b>	
4. LOCATION OF WELL (Report location clearly and in accordance with any state requirements.) At surface <b>1914' FSL &amp; 2265' FEL</b> At proposed prod. zone		9. API NUMBER	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* <b>68 miles South of Ouray</b>		10. FIELD AND POOL, OR WILDCAT <b>Fence Canyon/Dakota</b>	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drg. unit line, if any) <b>1914'</b>		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA <b>31-15S-23E</b>	
16. NO. OF ACRES IN LEASE <b>640</b>		12. COUNTY OR PARISH <b>Uintah</b>	
17. NO. OF ACRES ASSIGNED TO THIS WELL <b>320</b>		13. STATE <b>UT</b>	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. <b>8000'</b>		20. ROTARY OR CABLE TOOLS <b>R</b>	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) <b>6977'</b>		22. APPROX. DATE WORK WILL START* <b>1-Oct-01</b>	

23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	9 5/8" J55	36#	300'	150 sx Class G
8 3/4"	7" N-80	23#	4150'	900 sx 50:50 Poz G
6 1/8"	4 1/2" N-80	11.6#	8000'	375 sx Est. TOC is 6,000' or 1500' above Dakota Silt top

RECEIVED

NOV 29 2001

DIVISION OF  
OIL, GAS AND MINING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Carla Christian TITLE Regulatory Technician DATE 8/2/01

(This space for Federal or State office use)

PERMIT NO. **NOTICE OF APPROVAL** CONDITIONS OF APPROVAL ATTACHED APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY Edmund J. [Signature] TITLE Assistant Field Manager Mineral Resources DATE 11/29/01

\*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

DOGMA

01P50789A

CONDITIONS OF APPROVAL  
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Louise Dreyfus Natural Gas Corp.

Well Name & Number: Fence Canyon 31-2

API Number: 43-047-34183

Lease Number: U - 44438

Location: NWSE Sec. 31 T.15S R. 23E

Agreement: N/A

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

**CONDITIONS OF APPROVAL**

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

**A. DRILLING PROGRAM**

1. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered

Report ALL water shows and water-bearing sands to John Mayers of this office **prior to setting the next casing string or requesting plugging orders**. Faxed copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.



2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a **3M** system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

The special drilling requirements in Onshore Oil and Gas Order No. 2, regarding air or gas drilling shall be adhered to.

3. Casing Program and Auxiliary Equipment

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint. Surface casing setting depths are based on ground level elevations only.

All casing strings below the conductor shall be pressure tested to 0.22 psi/ft of casing string length or 1500 psi, whichever is greater but not to exceed 70% of the minimum internal yield.

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

No chromate additives will be used in the mud system on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

5. Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

A cement bond log (CBL) will be run from the production casing shoe to top of the cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the AO.

6. Notifications of Operations

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Written notification of such must be submitted to this office not later than five (5) days following the date on which the well is placed on production.

Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

A schematic facilities diagram as required by 43 CFR 3162.7-5(d) shall be submitted to the appropriate Field Office within 60 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (1).

No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

7. Other Information

All loading lines will be placed inside the berm surrounding the tank battery.

All off-lease storage, off-lease measurement, or commingling onlease or off-lease will have prior written approval from the AO.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries and tested for meter accuracy at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hours approvals are necessary, you must contact one of the following individuals:

Ed Forsman                      (435) 828-7874  
Petroleum Engineer

Kirk Fleetwood                (435) 828-7875  
Petroleum Engineer

BLM FAX Machine              (435) 781-4410

## EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spent solvents, spilled chemicals, and waste acids

Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste

Refinery wastes

Liquid and solid wastes generated by crude oil and tank bottom reclaimers

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation and miscellaneous solids.

**CONDITIONS OF APPROVAL**  
**FOR THE SURFACE USE PROGRAM OF THE**  
**APPLICATION FOR PERMIT TO DRILL**

Company/Operator: Louis Dreyfus Natural Gas Corporation

API Number 43-047-34183

Well Name & Number: Fence Canyon Federal 31-2

Lease Number: U-44438

Location: NW SW Sec. 31, T.15 S. R.23 E.

Surface Ownership: Bureau of Land Management

Date NOS Received: 4-12-01

Date APD Received: 8-8-01

-In order to minimize watershed damage construction and drilling activity will be allowed only during the period from April 30 to November 1. This limitation does not apply to maintenance and operation of producing wells. Exceptions to this limitation may be given by the authorized officer (AO).

-A existing reservoir located to the south of the proposed location shall be cleaned and repaired to the specifications of BLM. The dirt contractor will contact Byron Tolman with the BLM Vernal Field Office (435-781-4482) to find out how this shall be done.

-The operator will control noxious weeds along the road route and on the well location. A list of noxious weeds may be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land it is required that a Pesticide Use Proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.

-The cattle guard and gate which is to be installed as stipulated in the APD will both be 16 feet wide. The cattle guard will be mounted on cement bases and the gate will be a metal swinging gate.

-Six inches of topsoil shall be stripped and windrowed as shown on the cut sheet. This topsoil shall be seeded with seed mix shown below and walked in with a dozer immediately after the topsoil is windrowed.

Seed Mix:

<u>Common Name</u>	<u>Scientific Name</u>	<u>lbs/acre</u>
Smooth brome grass	Bromus inermis	6
Intermediate wheatgrass	Agropyron intermedium	6

-When the reserve pit is reclaimed, it shall be return to its natural contours, the topsoil respread, and the pit seeded with the seed mix shown above. The seed should be broadcast and walked in with a dozer.

-Since no pipeline was mentioned in the APD, prior to laying a pipeline for this well, a sundry notice shall be submitted identifying where this line will be constructed.

-The reserve pit shall be fenced on three sides during drilling operations and on the fourth side when the rig moves off the location. The following minimum fencing standards will be used:

- A. 39- inch net wire shall be used with at least one strand of barbed wire on top of the net wire.
- B. The net wire shall be no more than 2 inches above the ground and the barbed wire shall be no more than 3 inches above the net wire.
- C. Corner posts shall be braced in a manner as to keep the wire tight while the pit is in operation.
- D. Posts shall be no more than 16 feet apart.

-After first production, produced waste water will be confined to the reserve pit, or a storage tank for a period not to exceed ninety (90) days. During the 90 day period, in accordance with Onshore Order No. 7, a application for approval of a permanent disposal method and location, along with required water analysis, shall be submitted for the AO's approval. Failure to file and application within the time allowed will be considered an incident of noncompliance.



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, UT 84145-0155

# RECEIVED

JAN 18 2002

DIVISION OF  
OIL, GAS AND MINING

In Reply Refer To:  
3106  
(UT-924)

January 16, 2002

### NOTICE

Dominion Oklahoma Texas Exploration : Oil and Gas  
& Production, Inc. :  
14000 Quail Springs Parkway :  
Suite 600 :  
Oklahoma City, OK 73134

### Merger Recognized

Acceptable evidence has been received in this office concerning the merger of Louis Dreyfus Natural Gas Corporation into Dominion Oklahoma Texas Exploration & Production, Inc. with Dominion Oklahoma Texas Exploration & Production, Inc. being the surviving entity.

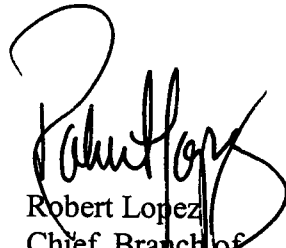
For our purposes, the name change is recognized effective October 31, 2001.

The oil and gas lease files identified have been noted as to the name change. The list of leases were compiled from a list of leases obtained from our computer program. We have not abstracted the lease files to determine if the entities affected by this name change hold an interest in the leases identified nor have we attempted to identify leases where the entities are the operator on the ground maintaining no vested recorded title or operating rights interests. We will be notifying the Minerals Management Service and all applicable Bureau of Land Management offices of the change by a copy of this notice. If additional documentation for changes of operator are required by our Field Offices, you will be contacted by them.



If you identify additional leases in which the entities maintain an interest, please contact this office and we will appropriately document those files with a copy of this Notice.

UTU-016654  
UTU-27413  
UTU-8351  
UTU-9211  
UTU-8361  
UTU-8359  
UTU-6841  
UTU-10272  
UTU-10199



Robert Lopez  
Chief, Branch of  
Minerals Adjudication

cc: Moab Field Office  
Vernal Field Office  
MMS, Reference Data Branch, MS3130, PO Box 5860, Denver CO 80217  
**State of Utah, DOGM**, Attn: Jim Thompson (Ste. 1210), Box 145801, SLC UT 84114  
Teresa Thompson (UT-922)  
Joe Incardine (UT-921)



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Vernal District Office

170 South 500 East

Vernal, Utah 84078-2799

<http://www.blm.gov/utah/vernal>

Phone: (435) 781-4400

Fax: (435) 781-4410

IN REPLY REFER TO:

3162.3

UT08300

February 8, 2002

Carla Christian  
Dominion Oklahoma Texas E&P, Inc.  
14000 Quail Spgs Pkwy, Suite 600  
Oklahoma City, Oklahoma 73134

Re: Well No. Fence Canyon Fed. 31 #2  
NWSE, Sec. 31, T15S, R23E  
Lease No. U-44438  
Uintah County, Utah

Dear Ms. Christian:

This correspondence is in regard to the self-certification statement submitted requesting a change in operator for the referenced well. After a review by this office, the change in operator request is approved. Effective immediately, Dominion Oklahoma Texas E&P, Inc. is responsible for all operations performed on the referenced well. All liability will now fall under your bond, BLM Bond No. CO1050, for all operations conducted on the referenced well on the leased land.

If you have any other questions concerning this matter, please contact Leslie Walker of this office at (435) 781-4497.

Sincerely,

Edwin I. Forsman  
Petroleum Engineer

cc: DOGM - Jim Thompson  
Beartooth O&G, Co.

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-46629
2. NAME OF OPERATOR: Dominion Oklahoma Texas Exploration & Production, Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 14000 Quail Springs CITY Oklahoma City STATE OK ZIP 73134		7. UNIT or CA AGREEMENT NAME:
PHONE NUMBER: (405) 749-1300		8. WELL NAME and NUMBER: Fence Canyon Federal 31 #2
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1914' FSL & 2265' FEL		9. API NUMBER: 047-341883
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSE 31 15S 23E		10. FIELD AND POOL, OR WILDCAT: Undesignated
COUNTY: Uintah		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: <u>Change of Operator</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Louis Dreyfus hereby request our name to be changed to Dominion Oklahoma Texas Exploration & Production, Inc., effective 11-01-01. I Carla Christian represent both Louis Dreyfus and Dominion.

Carla Christian  
Louis Dreyfus Natural Gas Corp.

Carla Christian  
Dominion Oklahoma Texas Exploration & Production Inc.

RECEIVED

FEB 15 2002

DIVISION OF  
OIL, GAS AND MINING

NAME (PLEASE PRINT) <u>Carla Christian</u>	TITLE <u>Regulatory Technician</u>
SIGNATURE <u>Carla Christian</u>	DATE <u>2/11/2002</u>

(This space for State use only)

## OPERATOR CHANGE WORKSHEET

## ROUTING

1. GLH	<input checked="" type="checkbox"/>
2. CDW	
3. FILE	

Change of Operator (Well Sold)

Designation of Agent

Operator Name Change

X

Merger

The operator of the well(s) listed below has changed, effective: **11-01-2001**

<b>FROM: (Old Operator):</b>	<b>TO: ( New Operator):</b>
LOUIS DREYFUS NATURAL GAS CORPORATION	DOMINION OKLAHOMA TEXAS EXPL & PROD INC
Address: 14000 QUAIL SPRINGS PARKWAY, STE 600	Address: 14000 QUAIL PARKWAY, STE 600
OKLAHOMA CITY, OK 73134	OKLAHOMA CITY, OK 73134
Phone: 1-(405)-749-5263	Phone: 1-(405)-749-5263
Account No. N1710	Account No. N1985

CA No.

Unit:

## WELL(S)

NAME	SEC TWN RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
FENCE CANYON FEDERAL 31-2	31-15S-23E	43-047-34183	13385	FEDERAL	GW	DRL

## OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 02/15/2002
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 02/15/2002
- The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 02/19/2002
- Is the new operator registered in the State of Utah: YES Business Number: 4996678-0143
- If **NO**, the operator was contacted on: N/A
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: 02/08/2002
- Federal and Indian Units:**  
The BLM or BIA has approved the successor of unit operator for wells listed on: N/A
- Federal and Indian Communization Agreements ("CA"):**  
The BLM or BIA has approved the operator for all wells listed within a CA on: N/A
- Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

---

**DATA ENTRY:**

1. Changes entered in the **Oil and Gas Database** on: 02/19/2002
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 02/19/2002
3. Bond information entered in RBDMS on: N/A
4. Fee wells attached to bond in RBDMS on: N/A

---

**STATE WELL(S) BOND VERIFICATION:**

1. State well(s) covered by Bond Number: N/A

---

**FEDERAL WELL(S) BOND VERIFICATION:**

1. Federal well(s) covered by Bond Number: CO 1050

---

**INDIAN WELL(S) BOND VERIFICATION:**

1. Indian well(s) covered by Bond Number: N/A

---

**FEE WELL(S) BOND VERIFICATION:**

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number N/A
2. The **FORMER** operator has requested a release of liability from their bond on: N/A  
The Division sent response by letter on: N/A

---

**LEASE INTEREST OWNER NOTIFICATION:**

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A

---

**COMMENTS:**

---

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---

---

---

---

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: LOUIS DREYFUS NAT GAS

Well Name: FENCE CYN FED 31 #2

Api No. 43-047-34183 LEASE TYPE: FEDERAL

Section 31 Township 15S Range 23E County UINTAH

Drilling Contractor PETE MARTIN RIG # BUCKET

SPUDDED:

Date 11/25/2001

Time AM

How DRY

Drilling will commence \_\_\_\_\_

Reported by LARRY

Telephone # 1-435-828-3620

Date 11/26/2001 Signed: CHD

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires: November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**  
**Do not use this form for proposals to drill or to re-enter an  
abandoned well. Use Form 3160-3 (APD) for such proposals.**

**SUBMIT IN TRIPlicate Notice Instructions on reverse side**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Dominion Oklahoma Texas E&P, Inc.

3a. Address

Suite 600

3b. Phone No. (include area code)

14000 QUAIL SPGS PKWY, OKLA CITY, OK 73134

405-749-1300

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1914' FSL & 2265' FEL, Sec. 31-15S-23E

5. Lease Serial No.

UTU-44438

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

Fence Canyon Federal 31 #2

9. API Well No.

43-047-34183

10. Field and Pool, or Exploratory Area

Fence Canyon/Dakota

11. County or Parish, State

Uintah, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION

- ☐ Notice of Intent  
☒ Subsequent Report  
☐ Final Abandonment Notice

TYPE OF ACTION

- |   |   |  |   |
|---|---|--|---|
| <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen           | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off   |
| <input type="checkbox"/> Altering Casing      | <input type="checkbox"/> Fracture Treat   | <input type="checkbox"/> Reclamation               | <input type="checkbox"/> Well Integrity   |
| <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete                | <input checked="" type="checkbox"/> Other |
| <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       | Spud & set casing                         |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back        | <input type="checkbox"/> Water Disposal            |   |

13 Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Spud well 11-27-01.

11-27-01 ran 9 5/8 csg, 36#, J-55 ST&C csg., set @ 315'. Cemented w/160 sx prem type "V" cement.  
11-28-01 with 1" pipe, cemented w/50 sx prem type "V", full returns, cement to surface.

As of 12/06 waiting BLM approval to bring in rotary rig (due to weather).

**RECEIVED**  
DEC 10 2001  
DIVISION OF  
OIL GAS AND MINING

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Carla Christian

Title Regulatory Technician

Signature

*Carla Christian*

Date December 6, 2001

THIS SPACE FOR FEDERAL OR STATE TO USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 6

**ENTITY ACTION FORM**

Operator: Dominion Oklahoma Texas E&P, Inc.  
Address: 14000 Quail Springs Parkway, Suite 600  
city Oklahoma City  
state Ok zip 73134

Operator Account Number: N 1985

Phone Number: (405) 749-1300

**Well 1**

API Number	Well Name	QQ	Sec	Twp	Rng	County
4304734183	Fence Canyon Federal 31 #2	NWSE	31	15S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
A	99999	13385	11/27/2001	12-10-01		
Comments:						

**Well 2**

API Number	Well Name	QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
Comments:						

**Well 3**

API Number	Well Name	QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
Comments:						

**ACTION CODES:**

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Carla Christian

Name (Please Print)

*Carla Christian*

Signature

Regulatory Technician

Title

12/5/2001

Date

**RECEIVED**

DEC 10 2001

DIVISION OF  
OIL, GAS AND MINING



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
WELL COMPLETION OR RECOMPLETION REPORT AND LOGFORM APPROVED  
OMB NO. 1004-0137

Expires: November 30, 2000

5. Lease Serial No.

UTU-44438

1a. Type of Well ☐ Oil Well ☐ Gas Well ☐ Dry ☐ Other  
b. Type of Completion: ☒ New Well ☐ Work Over ☐ Deepen ☐ Diff. Resvr.  
Other \_\_\_\_\_

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

2. Name of Operator

Dominion Oklahoma Texas E&amp;P, Inc.

8. Lease Name and Well No.

Fence Canyon Federal 31 #2

3. Address

14000 Quail Springs Parkway - Ste. 600 - Okla. City, OK 73134

3a. Phone No. (include area code)

405-749-1300

9. API Well No.

43-047-34183

4. Location of Well (Report location clearly and in accordance with Federal requirements)\*

At surface

At top prod. Inte 1914' FSL &amp; 2265' FEL

At total depth

10. Field and Pool, or Exploratory

Fence Canyon/Dakota

11. Sec., T., R., M., or Block and  
Survey or Area

31-15S-23E

12. County or Parish

Uintah

13. State

UT

14. Date Spudded

11/27/2001

15. Date T.D. Reached

16. Date Completed



D&amp;A

Ready to prod.

11-28-01

17. Elevations (DF, RKB, RT, GL)\*

GL 6977'

18. Total Depth:

MD

TVD

315'

19. Plug Back T.D.:

MD

TVD

20. Depth Bridge Plug Set:

MD

TVD

21. Type Electric &amp; Other Mechanical Logs Run (Submit copy of each)

22. Was well cored?

☐ No☐ Yes

(Submit analysis)

Was DST run?

☐ No☐ Yes

(Submit report)

Directional Survey?

☐ No☐ Yes

(Submit copy)

23. Casing and Liner Record (Report all string set in well)

Hole Size	Size/Grade	Wt. (#/ft)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12 1/4"	9 5/8"	48#	Surface	315'		210 Sx		Circ.	

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A)						
B)						
C)						
D)						
E)						
F)						

26. Perforation Record

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Ceg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	TA

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Ceg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	

(See instructions and spaces for additional data on reverse side)

RECEIVED

JAN 05 2004

DIV. OF OIL, GAS &amp; MINING

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Fwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Fwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	

### 30. Summary of Porous Zones (Include Aquifers):

### 31. Formation (Log) Markers

[illegible]

**Dominion plans to P&A this well in the early summer of 2004. Due to bad conditions, road, snow & etc., this well is unable to be P&A'd at this time**

1. Electrical/Mechanical Logs (1 full set req'd)	2. Geologic Report	3. DST Report	4. Directional Survey
5. Sundry Notice for plugging and cement verification	6. Core Analysis	7. Other:	

Name (please print) Carla Christian Title Regulatory Specialist  
Signature Carla Christian Date December 29, 2003

4 U.S. GPO: 1990-573-624

**Utah Division of Oil, Gas and Mining**  
**DRILLING OPERATIONS SUSPENDED**

**NOTICE TO OPERATORS:**

In order to more accurately monitor wells where drilling operations have been suspended, the Division has changed the statuses of the following wells from Temporarily Abandoned to Operations Suspended in our databases.

These wells will no longer appear on your Monthly Oil and Gas Production Report, Form 10. Therefore, it will now be the operator's responsibility to provide a monthly status report for such wells in accordance with Rule R649-3-6.2.4, which states:

The operator shall submit a monthly status report for each drilling well on Form 9, Sundry Notices and Reports on Wells. The report should include the well depth and a description of the operations conducted on the well during the month. The report shall be submitted no later than the fifth day of the following calendar month until such time as the well is completed and the well completion report is filed.

Your assistance is appreciated. If you have questions regarding this matter, please feel free to call (801) 538-5275.

Operator	Well Name	API Number	Permit Date	Spud Date - Dry	Spud Date - Rotary	Measured Depth	Lease Type
DOMINION OK TX E & P INC	FENCE CYN FED 31 #2	4304734183	07/30/01	11/27/01		315	Federal

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires: November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**  
**Do not use this form for proposals to drill or to re-enter an**  
**abandoned well. Use Form 3160-3 (APD) for such proposals.**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

DOMINION OKLAHOMA TEXAS E&P, INC.

3a. Address Suite 600  
14000 QUAIL SPGS PKWY, OKLA CITY, OK 73134

3b. Phone No. (include area code)  
405-749-1300

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1914' FSL & 2265' FEL, (NW SE) Sec. 31-15S-23E

5. Lease Serial No.

UTU-44438

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

Fence Canyon Federal 31 #2

9. API Well No.

43-047-34183

10. Field and Pool, or Exploratory Area

Natural Buttes

11. County or Parish, State

Utah

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize

☐ Altering Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☒ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☐ Other

13 Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Please be advised that Dominion would like to P&A the Fence Canyon Federal 31-2, per the attached procedure.

RECEIVED

MAR 28 2005

DIV. OF OIL, GAS & MINING

COPIES SENT TO OPERATOR  
DATE 4-14-05  
BY LHO

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Carla Christian

Title Regulatory Specialist

Signature

Carla Christian

Date 3/22/2005

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Accepted by the  
Utah Division of  
Oil, Gas and Mining

Date

Federal Approval Of This  
Action Is Necessary

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**Dominion Exploration & Production, Inc.**  
**Abandonment Procedure**  
**FENCE CANYON FEDERAL 31-2**  
Fence Canyon Field  
1,914' FSL & 2,265' FEL, Sec. 31, T-15-S, R-23-E  
Uintah Co., Utah  
API# 43-047-34183

Objective:

Plug and abandon surface casing set at a depth of 315' and reclaim location as per State of Utah request.

Datum, top connection, tubulars:

Elevation: 6,977' GL.

9-5/8", 36#, J-55 casing @ 315'. Cemented with 160 sx. in 12-1/4" hole. Ran 1" and cemented to surface w/ 50 sx.

**TD: 315'**

Plan of Procedure:

1. Obtain verbal approval from BLM and State authorities to commence P&A operations. Note details of verbal approval on daily report.
2. RU cementing equipment. GIH w/ 1" tubing to TD @ 315'. Mix and pump **130 sx cement (Class G – 1.15 cu.ft./sx)** to spot a 315' cement plug from the surface to TD. RDMO cementing equipment. .
3. Cut off casing 3' below ground level. Top off cement back to top of csg. stub. Weld on and install dryhole marker per State of Utah specs (**attached**), clean and reclaim location.

MKT 3/14/2005

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires: November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**  
**Do not use this form for proposals to drill or to re-enter an**  
**abandoned well. Use Form 3160-3 (APD) for such proposals.**

5. Lease Serial No.

UTU-44438

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

Fence Canyon Federal 31 #2

9. API Well No.

43-047-34183

10. Field and Pool, or Exploratory Area

Natural Buttes

11. County or Parish, State

Utah

1. Type of Well

☐

Oil Well

☒

Gas Well

☐

Other

2. Name of Operator

DOMINION OKLAHOMA TEXAS E&P, INC.

3a. Address

Suite 600

3b. Phone No. (include area code)

14000 QUAIL SPGS PKWY, OKLA CITY, OK 73134

405-749-1300

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1914' FSL & 2265' FEL, (NW SE) Sec. 31-15S-23E

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA**

**TYPE OF SUBMISSION**

☒

Notice of Intent

☐

Subsequent Report

☐

Final Abandonment Notice

**TYPE OF ACTION**

☐

Acidize

☐

Altering Casing

☐

Casing Repair

☐

Change Plans

☐

Convert to Injection

☐

Deepen

☐

Fracture Treat

☐

New Construction

☐

Plug and Abandon

☐

Plug Back

☐

Production (Start/Resume)

☐

Reclamation

☐

Recomplete

☐

Temporarily Abandon

☐

Water Disposal

☐

Water Shut-Off

☐

Well Integrity

☐

Other

13 Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

There has been no activity on the above referenced well. Well is scheduled for P&A by May 1, 2006.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Carla Christian

Title

Sr. Regulatory Specialist

Signature

Carla Christian

Date

3/03/2006

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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DIV. OF OIL, GAS & MINING

**UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

FORM APPROVED  
OMB NO. 1004-0137  
Expires: November 30, 2000  
5. Lease Serial No.  
**UTU-44438**

1a. Type of Well ☐ Oil Well ☐ Gas Well ☒ Dry ☐ Other \_\_\_\_\_  
b. Type of Completion: ☒ New Well ☐ Work Over ☐ Deepen ☐ Diff. Resvr.  
Other \_\_\_\_\_

2. Name of Operator  
**Dominion Oklahoma Texas E&P, Inc.**  
6. If Indian, Allottee or Tribe Name  
**Fence Canyon Federal 31 #2**

3. Address **14000 Quail Springs Parkway - Ste. 600 - Okla. City, OK 73134** 3a. Phone No. (include area code) **405-749-1300**  
9. API Well No. **43-047-34183**

4. Location of Well (Report location clearly and in accordance with Federal requirements)\*  
At surface  
At top prod. Inte **1914' FSL & 2265' FEL**  
At total depth  
10. Field and Pool, or Exploratory  
**Fence Canyon/Dakota**  
11. Sec., T., R., M., or Block and Survey or Area **31-15S-23E**  
12. County or Parish **Uintah** 13. State **UT**

14. Date Spudded **11/27/2001** 15. Date T.D. Reached \_\_\_\_\_ 16. Date Completed ☒ D&A ☐ Ready to prod. **5/16/2006**  
17. Elevations (DF, RKB, RT, GL)\* **GL 6977'**

18. Total Depth: MD **315'** TVD \_\_\_\_\_ 19. Plug Back T.D.: MD \_\_\_\_\_ TVD \_\_\_\_\_ 20. Depth Bridge Plug Set: MD \_\_\_\_\_ TVD \_\_\_\_\_

21. Type Electric & Other Mechanical Logs Run (Submit copy of each) \_\_\_\_\_ 22. Was well cored? ☐ No ☐ Yes (Submit analysis)  
Was DST run? ☐ No ☐ Yes (Submit report)  
Directional Survey? ☐ No ☐ Yes (Submit copy)

23. Casing and Liner Record (Report all string set in well)									
Hole Size	Size/Grade	Wt. (#/ft)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12 1/4"	9 5/8"	48#	Surface	315'		210 Sx		Circ.	

24. Tubing Record									
Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	

25. Producing Intervals				26. Perforation Record			
Formation	Top	Bottom		Perforated Interval	Size	No. Holes	Perf. Status
A)							
B)							
C)							
D)							
E)							
F)							

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.	
Depth Interval	Amount and Type of Material

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Shoke size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

28a. Production - Interval B									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Shoke size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

See instructions and spaces for additional data on reverse side)

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**JUN 16 2006**

28b Production - Interval C									
Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	

28c Production - Interval D									
Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

30. Summary of Porous Zones (Include Aquifers):	31. Formation (Log) Markers
Show all important zones of porosity and contents thereof. Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.	

Formation	Top	Bottom	Description, Contents, etc.	Name	Top Meas. Depth

32. Additional remarks (include plugging procedure)

5/16/06 Pump 130 sks Class "G" Neat dwn 2" PVC in 315' of 9 5/8", 36#, J-55 csg., circulate cmt to surface. Cut off csg. 3' below surface, attach marker. Plugging was approved by BLM inspector Johnny Bowen.

33. Circle enclosed attachments:

- ☒ 1. Electrical/Mechanical Logs (1 full set req'd)      2. Geologic Report      3. DST Report      4. Directional Survey  
 5. Sundry Notice for plugging and cement verification      6. Core Analysis      7. Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)\*

Name (please print) Carla Christian      Title Sr. Regulatory Specialist  
 Signature Carla Christian      Date June 14, 2006

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UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires: November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**  
**Do not use this form for proposals to drill or to re-enter an**  
**abandoned well. Use Form 3160-3 (APD) for such proposals.**

1. Type of Well

☐

Oil Well

☒

Gas Well

☐

Other

2. Name of Operator

DOMINION OKLAHOMA TEXAS E&P, INC.

3a. Address

Suite 600

14000 QUAIL SPGS PKWY, OKLA CITY, OK 73134

3b. Phone No. (include area code)

405-749-1300

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1914' FSL & 2265' FEL, (NW SE) Sec. 31-15S-23E

5. Lease Serial No.

UTU-44438

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

Fence Canyon Federal 31 #2

9. API Well No.

43-047-34183

10. Field and Pool, or Exploratory Area

Natural Buttes

11. County or Parish, State

Uintah

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION

☒

Notice of Intent

☒

Subsequent Report

☐

Final Abandonment Notice

TYPE OF ACTION

☐

Acidize

☐

Altering Casing

☐

Casing Repair

☐

Change Plans

☐

Convert to Injection

☐

Deepen

☐

Fracture Treat

☐

New Construction

☒

Plug and Abandon

☐

Plug Back

☐

Production (Start/Resume)

☐

Reclamation

☐

Recomplete

☐

Temporarily Abandon

☐

Water Disposal

☐

Water Shut-Off

☐

Well Integrity

☐

Other

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14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Carla Christian

Title Sr. Regulatory Specialist

Signature

*Carla Christian*

Date 5/31/2006

Approved by

Title

Date

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